



Daily Report

Latin America

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Cuba

Tripartite Agreement Signed at UN

FL2212195188 [Editorial Report] Havana Radio Rebelde Network in Spanish at 1456 GMT on 22 December begins live coverage from the hall of the Economic and Social Council of the United Nations in New York of the ceremony for the signing of the tripartite agreement between Cuba, Angola, and South Africa.

Announcers Pedro Martinez Pirez and Alberto Perez report that the agreement will be signed by Foreign Ministers Isidoro Malmierca, Afonso van Dunem, and Roelof "Pik" Botha of Cuba, Angola, and South Africa, respectively. Perez adds that the ceremony is also being attended by nine Cuban generals, who are in full uniform; Jorge Risquet, member of the PCC Politburo and head of the Cuban delegation; Oscar Oramas, Cuban ambassador to the United Nations; Carlos Aldana Escalante, secretary of the PCC Central Committee; and Ricardo Alarcon, vice foreign minister.

Cuban Foreign Minister Isidoro Malmierca and Division General Abelardo Colome Ibarra are seated at the main table, says the announcer.

Sam Nujoma, leader of the South-West People's Organization, "which is the only legitimate representative of the Namibian people," is seated next to the Cuban and Angola delegations in the plenary hall, says Perez.

The announcer adds that the ceremony is also being covered live by Havana Radio Cuba, Cuban television, GRANMA, and PRENSA LATINA.

Martinez Pirez points out that the ceremony began 12 minutes late, at 1512 GMT, due to the late arrival of U.S. Secretary of State George Shultz and UN Secretary General Javier Perez de Cuellar.

While waiting for the ceremony to begin, Martinez Pirez notes that a bilateral agreement will also be signed between Cuba and Angola on the withdrawal of Cuban troops. He notes that the Cuban delegation met yesterday with UN Secretary General Javier Perez de Cuellar and "with delegations from 10 countries which will comprise the verification mission that was requested by Angola and Cuba."

Martinez Pirez adds: "The mission will include 70 military observers and approximately 20 civilians who will verify the withdrawal, the conclusion of the Cuban internationalist mission, in approximately 31 months. Brazil will head this mission beginning in January." He adds that the first 3,000 Cuban internationalist troops will depart Angola before 1 April 1989.

Shultz begins speaking at 1513 GMT in English with simultaneous Spanish translation. Only the first 2-minutes of the speech are carried live before the announcer

cuts in repeating the names of the Cuban and Angolan delegations present at the ceremony. The announcer then indicates that Shultz has invited the foreign ministers to sign the tripartite agreements. Martinez Pirez says the ministers will each sign four agreements. One copy will be given to each of the three countries involved while the fourth "courtesy copy" will be given to Perez de Cuellar, says the announcer.

After the agreements are signed, Angola's Foreign Minister, Afonso van Dunem gives a 10-minute speech noting the historic significance of this agreement. The Angolan minister also stresses the role Cuba has played in this historic event. Van Dunem pledges that the Angolan Government and people will fulfill to the letter the agreement just signed to advance peace and security. The announcer later points out that the person translating Van Dunem's speech "frequently" made reference to "southeast Africa." "This is an error in translation," he says, "because in reality, it is southwest Africa."

At 1538 GMT, Cuban Foreign Minister Isidoro Malmierca is introduced and begins speaking. Even though this agreement has been reached, he says, Angola still faces more obstacles from the United States which served as mediator during the quadripartite negotiations while at the same time supporting South Africa. Malmierca concludes his approximately 13-minute speech by saying that Cuba and Angola have negotiated seriously and will fulfill the agreement seriously.

At 1552 GMT, Martinez Pirez points out that South African Foreign Minister Roelof "Pik" Botha has begun speaking. However, his speech is not carried. While Botha speaks, Martinez Pirez says that South Africa has been confronted with the reality of the military situation in Angola and Botha has come here "making a commitment in front of the United Nations, in front of the international community, to respect the sovereignty of Angola, peace in southwest Africa, and to apply UN Security Council Resolution 435/78. Namibia has been illegally occupied for more than 10 years since this resolution was passed. In reality, however, the occupation dates back 73 years."

Martinez Pirez points out at 1607 GMT that Botha has "wandered from the text" of his speech and has begun "improvising." "I think at this moment," says Martinez Pirez, "the truth on the policy of South Africa and the United States is evident on two things: the independence of Namibia and the presence of Cuban internationalist forces in Angola." The announcer says that the United States, South Africa, and "the anti-Cuban propaganda throughout the world" have tried to make this ceremony appear as the result of the "linkage" between the withdrawal of troops from Angola and Namibia's independence. "In reality," says Martinez Pirez, "the independence of Namibia was prevented by South Africa long before the existence, the beginning of Cuba's military assistance to Angola." He adds that South Africa has

dominated Namibia for 73 years and "this linkage [preceding word in English] in all cases can historically be classified as a type of justification or an attempt to justify the situation in Namibia—on the part of the South Africans and those who have supported them—by claiming that it is due to Cuba's presence in Angola." "Cuba's presence in Angola has nothing to do with the situation in Namibia," he says.

Anatoliy Leonidovich, Soviet deputy minister of foreign affairs, begins his speech in Russian with simultaneous Spanish translation at 1619 GMT. He notes that the USSR is willing to continue its policy of working toward peace based on the inalienable rights of all the peoples and he stresses the role that Cuba and Angola have played in this agreement.

At 1626 GMT, Perez de Cuellar invites the Cuban and Angolan foreign ministers to sign the bilateral agreement on the withdrawal of the Cuban troops, says Martinez Perez. He notes that three copies are being signed. Cuba and Angola will each get a copy while the third one is given to the UN secretary general, he adds.

The last speaker is Perez de Cuellar. The UN secretary general begins his 10-minute speech at 1629 GMT in English with simultaneous Spanish translation. He points out that the United Nations was not a part of the quadripartite talks on southwest Africa although he was constantly kept informed on the progress of the negotiations. He praises everyone involved in the talks and the agreement that is the result of those meetings.

The announcer ends his reportage by noting that the ceremony was 34 minutes longer than planned. Live coverage of the event ends at 1637 GMT and Radio Rebelde resumes its regular programming.

Van Dunem Speech

FL2212202288 Havana Radio Rebelde Network
in Spanish 1527 GMT 22 Dec 88

[Speech by Angolan Foreign Minister Afonso van Dunem, in Portuguese with simultaneous Spanish translation, at the signing ceremony of the Tripartite Agreements held at the Economic and Social Council Hall of the United Nations in New York—live]

[Text] Your Excellency Mr Javier Perez de Cuellar, secretary general of the United Nations; Your Excellency George Schultz, secretary of state of the Government of the United States of America; distinguished president of the UN Security Council; distinguished members of the UN Security Council; distinguished delegation leaders; distinguished ministers; distinguished representatives of the UN diplomatic community; distinguished guests, excellencies, ladies, and gentlemen:

Today, 22 December 1988, we have concluded the tripartite negotiations that, for the last 8 months, have captured the attention of the entire international community and which are part of the historic documents of contemporary international relations.

Our signatures seal these agreements. These agreements, after being implemented, will be of great importance to establishing peace and security in Angola, as well as achieving Namibia's independence as is dictated in UN Security Council Resolution 435 of 1978.

In this sense, I would once again like to recognize, or render homage to, the contribution given by His Excellency Denis Sassou-Nguesso, president of the People's Republic of the Congo. I would also like to thank him for his participation and personal commitment to the negotiation process which shows and serves as an example of his devotion to the cause of the African continent's true liberation and the slackening of the tense international situation.

I would also like to note the role played by the Government of the Republic of Cape Verde, especially its president, His Excellency Aristides Pereira, whose very valuable contribution was a fundamental instrument which led to the fulfillment of the (Mendelo) Agreement, signed by Angola and the United States of America in January 1984. These were the key points of the negotiation process that we have just completed.

I am happy to note that the Angolan Government has complied with all of its obligations established within the framework of the negotiation process and we expect complete reciprocity on the part of the U.S. Government.

I would also like to point out the important role played by Cuba throughout the negotiations thus facilitating the results that we have just ratified. The Government of the People's Republic of Angola reaffirms its solidarity with and appreciation for Cuba. We believe that its contribution will be remembered in the history of the nations that fight for liberty, peace, and security.

The support and solidarity that the people and Government of the USSR have always given our country are also important factors that have contributed in a positive way to the agreements that unite us today. To them, we also extend our sincere thanks.

In this historic moment I would like to say some special words of thanks and tribute to the heads of state and government that were the hosts of the successive rounds of quadripartite talks. Through their representatives, I would like to express the great appreciation and profound thanks of the people and Government of the People's Republic of Angola.

I also wish to express our thanks to U.S. Secretary of State George Schultz for having permitted this ceremony to be held under his auspices as representative of the mediator country. We also thank him for honoring us with his presence.

To Dr Javier Perez de Cuellar, secretary general of the United Nations and untiring fighter for freedom, I wish to express, on behalf of the Angolan people and Government, our profound gratitude and appreciation for his personal participation, commitment, and devotion in looking for an honorable and just solution to establish peace in southeast Africa [as heard], such as is expressed in Namibia's independence, which is a result of carrying out UN Security Council Resolution 435 of 1978.

Excellencies, implementing the agreement that goes into effect today will put an end to the cycle of violence during which Angola has been a victim of constant aggression. It will also put an end to Namibia's colonization, thus opening a new era of peace and stability in southeast Africa [as heard].

The use of force, whether it be offensive or defensive, as a means to solve political problems has been replaced by constructive dialogue. We should all be proud to share this historic moment which turns a new page in Africa's history. On this occasion we cannot forget to honor the memories of those who sacrificed their lives by fighting and making a conscious effort to look for social justice, equality for all nations, and liberty in our continent.

We also praise the improving relations between the Soviet Union and the United States which is a result of the recent agreement to eliminate 100 intermediate- and short-range missiles. Among other aspects, this agreement has brought about a more trusting atmosphere in the sphere of international relations which has had positive repercussions in the political panorama of southeast [as heard] Africa. In this context, the present agreements are of universal importance since they are part of humanity's efforts to maintain peace and security and to increase cooperation among nations.

Excellencies, the global agreements we have just signed will probably eliminate the external factors that nourish and aggravate the conflict in Angola. This way, the Angolan Government will be able to continue, in a more active form, its policies of clemency and national harmony to establish peace throughout the entire nation. This process will be supported by the new amnesty law which will shortly go into effect. Without a doubt, this process will be based on some of the African nations' valid and fruitful experiences. These are countries that have faced or are presently facing situations similar to ours.

To fulfill our goals without prolonging the suffering of the Angolan people, it is imperative that there be no foreign intervention in Angola's internal affairs. It is also essential that all countries, including those that do not

have diplomatic relations with our country, scrupulously observe the universally-accepted principles that respect the state's territorial sovereignty, thus adjusting to the new feeling of less tension that will be established in southeast Africa [as heard], as well as getting used to the spirit and following, to the letter, the agreement which is today being signed. This way, the practical application of these principles in the People's Republic of Angola includes all types of help or facilities offered to the armed groups that are destabilizing our country's economic and social life.

Excellencies, the present situation of political relations between Angola and the United States of America does not reflect our often-reiterated willingness to expand economic and commercial relations between our countries, which would be of mutual advantage. We would welcome and happily accept this.

A clear sign of our willingness is my country's acceptance of the United States as mediator in this complex process of negotiation. This has created an atmosphere of mutual trust which was the main characteristic in the meetings throughout the course of the negotiations. This is a consequence of the United States' efforts to harmonize the parties' positions and the role that was frequently played by Assistant Secretary of State Chester Crocker in trying to reconcile diverse opinions. These are aspects that we cannot stop praising and stressing.

With respect to the bilateral relations between the People's Republic of Angola and the United States of America, I would like to take this opportunity to say that the fulfillment of the New York Agreement will continue to exist as an intense cooperation between our countries' governments. This cooperation may, of course, be facilitated by the normalization of diplomatic relations. We will continue to adopt a very open attitude and pay attention to all constructive initiatives from the United States.

I should also mention the crucial role played by the Governments of Angola and Cuba which, plainly aware of Namibia's urgent need to be independent and for peace to be established in Angola, ardently worked to guarantee that the agreements, which were just signed, represent in the history of the African nations a shining contribution to the cause of freedom and international peace and security for all nations.

In conclusion, I would like to say that our joint efforts have brought us to the final phase of the road which we took. In our opinion, the present agreement cannot solve the regional conflicts in southeast [as heard] Africa since the destabilization of the countries in the region continue to be a source of great worry to the Frontline States. To achieve global peace, it is necessary to establish other organizations which would be capable of increasing and supporting an active and constructive dialogue between the states to find a fair and lasting solution to their problems.

On behalf of the Angolan Government and people, I would like to commit our good faith and our traditional political willingness of fulfilling, wholeheartedly and to the letter, the agreement which we signed today. We firmly believe that this instrument will be a positive contribution to the advancement of peace, security, and development.

Thank you very much.

Malmierca Speech

*FL2212201288 Havana Radio Rebelde Network
in Spanish 1538 GMT 22 Dec 88*

[Speech by Foreign Minister Isidoro Malmierca Peoli at the signing ceremony of the Tripartite Agreement held at the Economic and Social Council Hall of the United Nations in New York—live]

[Text] Mr Secretary General, representatives of the member states of the Security Council, members of the delegations of the People's Republic of Angola, the United States, and the Republic of South Africa, Cuban comrades who fought in Angola, members of our delegation, and guests: We have just signed the agreements which will lead to the establishment of permanent peace in the region of southwest Africa.

The agreement between the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa is the result of long and patient negotiations in which my government has participated—always encouraged by the desire of finding just and satisfactory solutions. History will establish with justice and veracity the true meaning and the importance of the agreements that have just been signed, despite all the manipulations and distortions which are already expected. That is why it not surprising that the President of the United States, in his speech to the UN General Assembly, when alluding to the conflict in southern Africa, did not even mention apartheid—the main cause of the conflicts in that region—nor did he mention Namibia's independence which will culminate in a few months thanks to the agreement we are signing today. It is also not surprising that he attempted to attribute all the (?glory) of the negotiation to withdrawal of the Cuban troops. In addition to this, a few days ago, he said that the agreements put an end to what he has called—coining a new and strange phrase in international politics terminology—Cuban military imperialism.

However, we do not live in times of rhetoric; and words, regardless of who they come from, cannot change the facts. We are right here, at the UN headquarters, because after 10 years of arrogant and prepotent disrespect for the will of the international community—expressed in resolution 435/78 on the independence of Namibia—the possibility is finally open for a cessation to the illegal occupation of Namibia, and for this territory to cease being a colonial dependence of South Africa so that it can become an independent and sovereign state. We are

here because after 13 years of aggression and violations of the sovereignty and territorial integrity of the People's Republic of Angola by the South African army, and a cruel war supported principally by South Africa and, for several years, by the United States—which has caused enormous destruction, hundreds of thousands of deaths, especially in the civilian population, and millions of mutilated—the invading and aggressive South African Army had to withdraw from the Angolan territory. This has created some of the fundamental premises for the guarantee of the security of the People's Republic of Angola and for the Angolan people to find the ways and paths to solve the antagonism which has allowed a fratricidal struggle.

This supreme historic objective of the Angolan nation—its internal unity and the cohesion of its people for the attainment of a prosperous and peaceful future—still finds, however, an obstacle in the policy of the U.S. Government which tries to assume, and, in fact, assumes a role of interference. This is a role South Africa has officially renounced with these agreements. Unfortunately, a ceremony such as this one is tainted by this evident decision of the U.S. administration, expressed the day after the Brazzaville protocol was signed, which in practice constitutes an insult to the spirit of peace and political solutions that these agreements have made possible.

Nevertheless, we trust that everyone, the signatories, as well as those who voluntarily took on the mission of making these agreements possible, will strictly comply with the commitments outlined in them and with the principles on which they are based. It is in this context that, within the period of 30 months and 9 days from today, the gradual and complete withdrawal of the Cuban internationalist troops from the People's Republic of Angola will take place. Those are the troops who, along with the courageous and dedicated soldiers of the People's Armed Forces for the Liberation of Angola and with heroic fighters of the SWAPO [South-West African People's Organization], have made possible during the past few months the consummation of a negotiating process initiated several years ago.

Some people also try to make this truth vanish and rudely simplify what has occurred. They try to present it as a mere understanding between the great powers, and to them the rest of us, are nothing more than obedient executors of their plans. The Government of Cuba is truly proud of the contribution that it has been able to make to this process and of the work carried out in close and creative brotherhood with the Government of Angola—both governments acting with complete independence and the decided willingness to favor a negotiated solution.

We do not wish to take away merit from the contradictory and paradoxical mediating action carried out by the United States, but the judgment on the conduct of each of the protagonists of this process will depend on the

future development of the events—to the extent to which each one honors the commitments made. The members of the UN Security Council, and for obvious reasons the permanent members, especially, are responsible for the rigorous surveillance of the fulfillment of the agreements and, above all, for the application, in spirit and letter without amendments or modifications, of Resolution 435/78. To evoke this responsibility does not suggest a doubting of the essence of the agreements, but rather it is a response to the evidence that this substantial step forward has been made with the contribution of all parties. However, it does not mean that the essence of the racist regime of South Africa has been modified—a regime whose policy of apartheid incarnates the true destabilization factor in South Africa.

Esteemed secretary general, ladies and gentlemen, a little over 13 years ago, in its hour of genesis as an independent state, we answered the call of the founder of the Angolan nation, Agostinho Neto. Under the protection of article 51 of the UN Charter, we offered our blood in honor of the highest destinies of the peoples of Africa. This is how it has been understood and saluted more than once by the Nonaligned Movement and the Organization of African Unity. Such is the vision reiterated in the last meeting in Luanda by the heads of state of the countries who compose, the justly called, Frontline. In our just struggle, we have always received moral and material solidarity from the Soviet Union; however, it has never attempted to interfere in those matters which only concern the sovereignty of our states. Almost 16 years will have passed when the withdrawal of Cuban troops from Angola is concluded. We have been there ever since those crucial moments when we had the opportunity of paying our historic debt with black Africa—one of the roots of Cuban nationality. By then, when the last Cuban internationalist combatant returns to his fatherland, humanity will have witnessed the loyalty to principles which explains and encourages the solidary policy of the Cuban revolution. Over 300,000 Cubans, supported in one way or another by our people, have played an important role and victoriously culminated one of the most glorious pages in the history of internationalism.

We did not go to the People's Republic of Angola for economic benefits nor for the defense of strategic interests, which we could not attempt to do as a small Third World country. Cuba does not leave behind in the brother country, military bases, nor any kind of properties, or any kind of rights over Angolan riches. As we announced 12 years ago, the only thing we will take from Angola will be the love and respect of its dedicated and heroic people and the mortal remains of the children of the people of Cuba who fell defending the sovereignty and the integrity of Angola against foreign aggression and apartheid. We (rise) to them today, grateful. We also renew our faith in that their generous and exemplary sacrifice will transcend as a one of the seeds that germinated the authentic independence and freedom of the fraternal People's Republic of Angola and of the

redeemed Namibia, which will rise with its own voice in the midst of the emancipated peoples from the colonial yoke. We have also worked in Cuba to contribute to the development of an independent Namibia. We have trained hundreds and hundreds of technicians, teachers, doctors, and many other specialists who must fight the battle for development and prosperity for the people.

We will honor our commitments. Proof of that unequivocal political will is the initiative proposed by Cuba and Angola from the very beginning of the negotiations requesting UN verification of the withdrawal of Cuban troops from the People's Republic of Angola. This request is a testimony and shows the interest and seriousness with which Angola and Cuba assume the responsibility of these agreements. As has been emphasized by President Fidel Castro, we have negotiated in all seriousness and we have reached an agreement in all seriousness.

We will continuously work for peace and security in southwestern Africa, and in any other part of the world where we can contribute in some way to the opening and consolidation of a future of independence and development for all peoples, without exceptions. With these goals, we will cooperate with all forces that are ready to take on real and concrete actions without hegemonic desires nor with the ambition of increasing our own benefits.

As always, Mr Secretary General, you and the United Nations can count on the contribution and participation of Cuba within the measure of our strength.

I cannot conclude these words without expressing our deepest sympathy over the death, under tragic circumstances, of the UN commissioner for Namibia, Mr Bernt Carlsson—an outstanding combatant in favor of the independence of Namibia.

Malmierca Comments

FL2212223888 Havana Radio Reloj Network
in Spanish 2032 GMT 22 Dec 88

[Text] Today's signing of the tripartite agreements between Angola, South Africa, and Cuba and a bilateral one between Luanda and Havana, open the possibilities of independence for Namibia. This was said by Foreign Minister Isidoro Malmierca from the UN Headquarters in an exclusive interview for Radio Reloj. The foreign minister noted that, with the signing of the agreements, a climate of permanent peace for southwest Africa was created.

For the Namibian people, 22 December 1988 will constitute symbolically the day of the beginning of their independence and will be likewise remembered by other African nations.

Regarding the timetable for the return of our internationalists, Malmierca asserted that it will begin before 1 April and will end 30 months later and will be subjected to the watchful eye of UN observers.

Soviet Official Speaks

*FL2212224188 Havana Radio Rebelde Network
in Spanish 1619 GMT 22 Dec 88*

[Speech by Anatoliy Leonidovich Adamishin, Soviet deputy minister of foreign affairs, at the signing ceremony of the Tripartite Agreement held at the Economic and Social Council Hall of the United Nations in New York; in Russian with simultaneous Spanish translation—live]

[Text] Thank you Mr Secretary of State [George Shultz]. At this time, I would like to offer our condolences on the tragedy that occurred yesterday, a tragedy that claimed the lives of a considerable number of individuals.

Mr Secretary General, we express our condolences on the death of the UN High Commissioner for Namibia, Mr Bernt Carlsson. We all knew him and recognized him.

Two months ago, few would have envisioned the events that are occurring today at the United Nations headquarters. We have taken the first step. We hope that this is a long-lasting solution to one of the most long-lasting regional conflicts.

The current world situation is in a process of quick change, a change for the better. I doubt that anyone can deny that these changes are extensively related to the positive events occurring in southeast [translator corrects herself] southwest Africa. It is also evident that these changes have been attained with the new political thought that is being introduced by the Soviet Union in the area of international policy.

If everything continues as planned, then in the not-so-distant future, in the world political map, [rephrases] the last bastion of colonialism will disappear from the map of the world and new [2-second break in transition] Namibia.

With their own sacrifices, the people of Namibia have won the right to free-determination and independence. We wish them and the leaders of the SWAPO [South-West African People's Organization] liberty, happiness, and peace.

I have instructions to say that the Soviet Union hails the productive and successful culmination of the arduous and difficult negotiations to solve the problem in southwest Africa. This confirms our conviction that even the most difficult problems of the current world can be resolved through political means.

On this historic occasion, I would especially like to stress the contribution made by our friends from Angola and Cuba in solving this conflict, as well as their flexible foreign policy accompanied by a dynamic diplomacy.

During the negotiations, the United States of America played a constructive role as mediator.

Allow me to express, in accordance with the remarks made by Mr Shultz, that the mutual agreement between the Soviet Union and the United States will be used to develop solutions—and I stress, to develop and not find solutions in the name of others—in other regional conflicts. I would also like to stress the spirit of reality which has been demonstrated by the Government of South Africa. I would especially like to express the hope that this spirit is maintained in the future.

I would like to say that in this case.... [unidentified speaker interrupts and says in English: "There will be no interruption in the electrical current," and the translator repeats the announcement in Spanish].

This also confirms that the importance of the work of the United Nations has increased in solving regional conflicts. What we should do is scrupulously comply with the agreement as was indicated 2 weeks ago when Mr Gorbachev made his memorable statement at the UN General Assembly: Pactum (Subservandum).

For its part, the Soviet Union is willing to continue to make all the authority of its policy—and with practical actions—work in favor of establishing peace and tranquility in this sector based on the inalienable rights of all the peoples of the region, especially the right to a free election, [translator pauses and then repeats herself] election of its road to development.

Thank you.

SWAPO Official on Agreement

*FL2212150488 Havana Tele-Rebelde Network
in Spanish 1200 GMT 22 Dec 88*

[Text] Today's signing of the final agreements for peace in southwest Africa will ensure Namibia's independence—the last colony of continental Africa. The document will also recognize the state borders of the People's Republic of Angola, as well as its sovereignty and territorial integrity which were violated throughout the years by the white minority regime of South Africa.

African diplomats at the United Nations have welcomed these two far-reaching events for the future of that continent. However, they remain aware of eventual last minute maneuvers aimed at altering the basis of the long-term negotiations among the parties.

In an interview with GRANMA, (Teo Ben Guribad), foreign relations secretary of the SWAPO [South-West African People's Organization] expressed this point of view. For the Namibian leader, the efforts to reduce the costs of the UN operation to carry out Resolution 435/78 could include other attempts suggesting that times have changed and that the text of Resolution 435/78 merits revision. In the case of Namibia, said (Ben Guribad), SWAPO is against any reduction of UN (?troops) in view of the increase of police forces in that country, organized and trained by the South African racists. UN members will have to be witnesses and guarantors to an electoral process which will open the road for the independence of Namibia because any reduction in (?troops) could facilitate South African maneuvers to prevent SWAPO from obtaining at least 67 percent of the necessary votes to govern itself. Any suggestion or decision, he said, must have as a prerequisite our (?approval), as well as the approval of the front line states and of the nonaligned countries.

The future minister of Namibia also expressed his opinion that the independence of his country has only been possible through the military actions carried out in and around Cuito Cuanavale in southern Angola. These military actions, he added, paralyzed the South African aggression and forced the regime of Pretoria to go to the negotiating table.

General on Signing

FL2312031788 Havana Radio Reloj Network
in Spanish 2302 GMT 22 Dec 88

[Text] Division General Ulises Rosales del Toro, member of the Cuban delegation attending the signing of the tripartite agreements on southwest Africa, said today at the United Nations that Cuba fulfilled exemplarily its internationalist duty. After the signing of the agreements between Angola, Cuba, and South Africa, Division General Rosales del Toro, who is also alternate member of the PCC Politburo and chief of the FAR General Staff, expressed his emotion and deep satisfaction for sharing the historic moment with the Angolan brothers. He said he was certain that the Cuban combatants in Angola will continue to fulfill exemplarily with their responsibilities. We can feel much closer to the brothers who have carried out the combat actions, added Division General Rosales del Toro.

In his remarks to the press in New York, Division General Rosales del Toro said Cuban internationalists in Angola will permanently maintain their combative disposition. Our internationalist units in Angola will strictly comply with all the points included in the agreements signed in the United Nations today, said Rosales del Toro.

A group of generals, who at one time or another were in charge of combative actions in Angola, are among the Cuban delegation that attended today the signing of the tripartite agreements on southwest Africa.

In addition to the tripartite agreement signed today in the United Nations for the end of South Africa's attacks on Angola and the end of the occupation of Namibia, Cuba and Angola signed a bilateral treaty for the gradual and complete return of our troops.

Historic Significance

FL2212221488 Havana Radio Rebelde Network
in Spanish 1800 GMT 22 Dec 88

[Station commentary]

[Text] The international community has just witnessed a historic event. The tripartite agreement on southwest Africa was signed at the United Nations in New York a few hours ago. The essential elements of this agreement define by themselves their historic significance. It will bring peace and security for Angola and complete independence to Namibia, the last colony in the African Continent.

At the same time, another agreement signed between Cuba and Angola establishes the retreat and final withdrawal of our internationalist troops in Angolan territory in line with mutually agreed terms. In recent days, Comrade Fidel described this event as one of the most important achievements of the year. Long before, Fidel himself said: The fact that our country, located at 10,000 km from Angola, has given this decisive support is undoubtedly one of the most noble and solidary acts of our times.

This is also acknowledged by the great majority of the African countries. We have been proud to establish with their peoples closer and more united ties in many areas. We are proud to have offered to their peoples our modest and disinterested contribution in the struggle against colonialism, neocolonialism, and racism, but for the consolidation of independence.

This is the way it has been in Angola for the last 13 years. We participated at the beginning at a much more modest level but later we involved large forces when South Africa invaded the south and advanced rapidly in what it thought would be an easy trip to Luanda. The historic [6 second break in transmission] and had no other choice but to opt for the negotiating table. The heroism of [4 second break in transmission] peace. Cuba never got involved in this conflict to attain a military victory. It never wanted it. Regardless of the correlation of forces, Cuba showed once more its sense of responsibility by actively contributing to the solution of problems through dialogue and constructive negotiations.

We have been firm, serious, and persistent in our behavior. We have acted with determination, serenity, and energy with class-consciousness. We have our dead as a result of any struggle but we also have the great glory which they forged for the fatherland in their battles. They will have a timeless monument in our hearts. But above all, they will have the most far-reaching, durable, and grandiose monument—the work of the revolution.

Fidel, Raul Castro Open 4th ANPP Session
FL2212154788 Havana Radio Reloj Network
in Spanish 1502 GMT 22 Dec 88

[Text] With the presence of Commander in Chief Fidel Castro and Army General Raul Castro, the fourth regular session of the Third ANPP [National Assembly of the People's Government] has begun at the Palace of Conventions.

Severo Aguirre del Cristo, acting president of the ANPP, said that there are 480 deputies present at the session; this constitutes 94.8 percent of the assembly.

During this session, the deputies will discuss many topics of great importance to the socioeconomic future of the nation. This will be happening only a few hours before the 30th anniversary of the revolution's triumph.

Severo Aguirre asked for a moment of silence to render tribute to the memory of Deputy Juan Marco Perez, veterinary technician and internationalist fighter from Cienfuego Province's Cruces Municipality, who recently died.

The assembly began its session with a report from the MITRANS [Transportation Ministry] which was read by Diocles Torralba, minister of that sector. Earlier, the nation's maximum legislative organ greeted Efigenio Ameijeiras who was elected as deputy to the ANPP by Centro Habana Municipality.

A suggestion was made to include in the day's agenda a proposal to relieve Deputy Luis Mendez Morejon, present secretary of the ANPP, of his duties so that he may fulfill another important task for which he was chosen.

On the 1st day of sessions of the ANPP, the deputies will also discuss and approve projects of the General Housing Law and an agreement to regulate the process to present laws.

MITRANS 'Report Back'
FL2312021788 Havana Tele-Rebelde Network
in Spanish 1800 GMT 22 Dec 88

[Text] The top government organ of the Republic of Cuba is already in session. The Fourth Regular Session of the Third National Assembly of the People's Government [ANPP] began with Commander Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, in attendance.

The 480 deputies at the Palace of Conventions approved a motion to send greetings to teachers and Acting President Severo Aguirre del Cristo asked for a moment of silence as a posthumous homage to a Cruces Municipality deputy who died recently.

He reported that Comrade Efigenio Ameijeiras was elected to replace another deputy and that Luis Mendez Morejon, current secretary of the assembly will fulfill other responsibilities. After the previous minutes and the agenda were approved, the MITRANS [Transportation Ministry] report back began to be read by its head Diocles Torralba.

[Begin Torralba recording] All the work carried out until today was aimed at turning the report back activities to the assembly in a powerful mass movement. Today we can inform you with great satisfaction that these goals were fulfilled thanks to the enthusiastic participation of the majority of the 200,000 technical laborers and leaders who work in transportation together with the hard work performed by the two national labor unions of our sector. [end recording]

The MITRANS report touched on important subjects. They include its achievements and problems as well as the efforts being made to improve transportation of passengers and cargo. It notes that the gross production of its enterprise system exceeds 750 million pesos this year. [Words indistinct] that is, 15 million more than last year. The deputies learned that the Cuban Railroads Union transported almost 13 million tons and over 24 million passengers. It has been a year of efforts and, at the same time, of complex investments in the field. Suffice it to say that with the completion of the railroad program in 1995, the Cuban state will have invested 1 billion pesos in the railroad. By that time, the railroads will show a 40 percent growth in the cargo handled and 76 percent in transportation of passengers.

The MITRANS report back indicates that there is a clear stabilization trend in ports. In 1985, for example, the country spent almost 7 million pesos in demurrage. In 1986, this amount was cut in half and in 1987 over 1.5 million pesos in currency was contributed to the national economy because of prompt dispatch of ships. However, it will not be the same this year. The accumulation of merchandise in ports forced the network into an emergency status, (?which) ends the period with a negative balance. Nevertheless, the situation in our ports is favorable and this guarantees that next year will begin with greater possibilities.

After describing the current urban transportation situation, discussing the causes which started the crisis, and reflecting on subjective aspects which still have a negative impact on the quality of the service, the MITRANS listed the measures being implemented and the comprehensive solutions required by the current problems. For example, the construction plan of new stations, the production in Cuba of engines and gearboxes, and the

reorganization of terminals. A support detachment will be created in Havana to stop labor instability and improve the technical condition of buses.

The MITRANS report indicates that the international fleet has experienced a substantial growth since the triumph of the revolution. Mambisas, for example, exploits 75 vessels with a dead weight of over 1 million tons. This year, this enterprise has transported 87 percent of the merchandise handled. However, the balance of incomes and expenditures is still negative. It is estimated that the state will spend over 46 million pesos in currency for rent.

The report deals with the work of taxis, gas stations, and repair shops. It includes matters related to coastal traffic, the work of shipyards, and the use of containers. It also touches on the efforts being made in the protection of the environment, the development of highways and roads, as well as the scientific-technical and organizational work of the MITRANS, among other things.

[Begin recording] [Torralba] Finally, we believe that our ministry's decision to report back is a wise decision and it has brought great results. We are certain that with the help of the assembly we will be able to perform more efficiently the huge tasks the revolution has placed in our hands.

[Unidentified speaker] The trend is to have national trains with the least possible number of stops but that these stops should be made logically. Some will be more selective than others in the order of stops. Other national trains will be more flexible. Some will stop in some places and other trains will stop in others.

[Castro] I would like to know one thing. What is the difference in the time it would take to transport a citizen from Havana to Santiago by train and the same distance by bus.

[Speaker] Two years ago there were 17, 18 hours difference. If there were over 2 hours in delays, 19. Now we are doing it ... [rephrases] I believe the official schedule calls for 13 hours 40 minutes. A number of trains are delayed. The average delay of those trains was 23 minutes in October and November.

[Castro] How many times more does it cost to transport a citizen by bus rather than by train?

[Second unidentified speaker] Commander, after there is a track, it is much more inexpensive. The track's depreciation is charged to the railroad, which is the only user. It is as if the depreciation and costs of roads in the country were charged to trucks, cars, or buses. This is what brings the strange belief that the railroad is not cost effective. It is not cost effective because it has its own infrastructure: bridges, drains, tracks. After you have the tracks—which we do—it is much cheaper. It also lasts longer as an investment.

[Castro] All representatives of the world railroad industry who met here (?in March) complained about this. I believe it was for the 150th anniversary. They presented the theory that the railroad's infrastructure should not be added to its expenses and that, in this sense, they were at a disadvantage with roads because no bus was charged for roads or given the expense of maintaining the road. They expressed this problem in a pretty strong way. I believe it was discussed enough here. I understand that transportation of cargo and passengers by railroad is much cheaper. [end recording]

Castro Presides Over Bus Enterprise Ceremony
FL2212225588 Havana Tele-Rebelde Network in Spanish
1200 GMT 22 Dec 88

[Text] Our Commander in Chief Fidel Castro Ruz, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has presided over the ceremony presenting the 350th bus built at the Evelio Prieto enterprise in Guanajay. Referring to the production future of the enterprise, Fidel Castro said the following:

[Begin Castro recording] All transportation between municipalities has to come out of here. All city transportation has to come out of here. This is why we aspire that this factory will reach a construction capacity of no less than 2,000 buses of various types each year. Transportation of personnel through our country's roads and streets will depend on this factory. Millions of people are transported every day. Billions will be transported every year, and it will depend on this factory. [end recording]

Government To Free Prisoner After 22 Years
PA2212212388 Madrid EFE in Spanish 0219 GMT
22 Dec 88

[Text] Havana, 21 Dec (EFE)—In the next few days, the Cuban Government will release journalist Guillermo Diaz Porta, who was jailed 22 years ago for participating in activities against the Castro revolution, dissident sources informed foreign press agencies today.

Rivas Porta [name as received] is one of the so-called "tough" ["plantados"] prisoners who refuses to wear uniforms worn by common criminals and who rejects the official "rehabilitation programs." His son Guillermo Diaz Rivas and his son's wife Ayme Llado Canton will also be freed.

Diaz Rivas and his wife were sentenced to 1 year and 3 months in jail on 29 November, when they were arrested with Tania Diaz Castro, secretary general of the illegal "Cuban Party for Human Rights" ["Partido Cubano Pro Derechos Humanos"]. Tania Diaz Castro, who is Guillermo Diaz Rivas' mother, was sentenced to 1 year in jail.

No official source has confirmed the freeing of Diaz Porta or his relatives. It is also unknown whether Tania will be released from jail. Observers believe Tania's father, who is free, will accompany Diaz Porta to the United States.

Haiti

Avril Dismisses Minister, Appoints Successor
*PA2212140088 Madrid EFE in Spanish 0544 GMT
22 Dec 88*

[Text] Port-au-Prince, 21 Dec (EFE)—According to a government decree issued today, Haitian President Prosper Avril has dismissed Commerce and Industry Minister Jean Gerard Louisias.

The new commerce and industry minister will be Ivon Cesar, whose political background is practically unknown.

The 53-year-old Louisias was an administration specialist. Before being dismissed, he had asked merchants and distributors of basic staples to reduce prices "to help the military government in its efforts to improve the plight of the humble workers."

The Haitian merchants rejected the proposal because they did not want to "assume responsibility for the disastrous results" of the government's "economic policy."

A representative of the merchants said today that "the economic program recently announced by General Avril's government has not shown any positive results."

Costa Rica

Foreign Minister Comments on ICJ Ruling PA2312031788 Panama City ACAN in Spanish 2244 GMT 21 Dec 88

[Excerpts] San Jose, 21 Dec (ACAN-EFE)—Costa Rican Foreign Minister Rodrigo Madrigal Nieto "expects" things in Central America will not become more complicated now that the International Court of Justice [ICJ] at The Hague has declared that it has the authority to hear the 1986 Nicaraguan charges that Honduras cooperates with the "contras."

The foreign minister recalled that "a long time ago," Honduras had warned that if Nicaragua did not withdraw the charges at the ICJ at The Hague, "Honduras would not attend a Central American presidential summit."

If Honduras keeps its promise, then the 15-16 January presidents' summit, and perhaps some other preparatory meetings for the summit, which could not be held in 1988 and were planned for 1989, should be considered impossible to hold, the Costa Rican diplomat said.

In other words, Madrigal added, under such circumstances, Honduras "would not help continue the Esquipulas II process."

Among other reasons, the presidential summit and the regional foreign ministers' meetings were postponed four times during 1988 due to Managua's refusal to withdraw the ICJ charges.

Madrigal abstained from commenting on the ICJ decision and simply clarified that yesterday's ruling refers to procedural aspects and does not deal with the important points of the charges filed by Nicaragua in 1986 for alleged Honduran support of the Nicaraguan "contras." [passage omitted]

In view of the ICJ ruling, Honduras could now negotiate with Nicaragua under the conditions created by the ICJ, or wait before making any further commitments. However, whatever Honduras does is its own business, Madrigal said.

In any case, Madrigal added, the Costa Rican Government cannot meddle because it is another sovereign nation's business.

El Salvador

UPD Claims U.S. Embassy Planning 'Fraud' PA2312044788 San Salvador DIARIO DE HOY in Spanish 21 Dec 88 pp 3, 59

[Report on statements by Jorge Ruiz Camacho, Democratic Popular Unity, UPD, foreign affairs secretary and Jesus Amado Perez Marroquin, UPD "progovernment faction" president, at a news conference in San Salvador on 20 December]

[Text] High-ranking leaders of the Democratic Popular Unity, UPD, have charged that the U.S. Embassy is preparing an act of fraud to help the Christian Demo-

cratic presidential candidate in the 1989 elections.

The union leaders said yesterday morning that the Department of State and the U.S. Embassy in San Salvador have three priorities: the victory of the Christian Democrats, the defeat of ARENA [Nationalist Republican Alliance], and the safety of Democratic Convergence members.

During a news conference held at a San Salvador hotel, UPD Foreign Affairs Secretary Jorge Ruiz Camacho said that "if the U.S. Embassy sees that the Christian Democrats are not getting enough votes, in a desperate act it could commit fraud to give the party a helping-hand to some 100,000 votes."

However, Camacho said, the Central Electoral Council (CCE) must assume full responsibility for ensuring the fairness of the elections and ARENA, the strongest political force, should remain watchful.

According to Camacho, the United States will try to ensure that Christian Democratic candidate Fidel Chavez Mena wins the election because "he is easier to handle", and will continue its low-intensity conflict strategy in El Salvador.

Regarding the safety of Democratic Convergence members, Camacho said that the United States protects them to show the world that there is democracy in El Salvador. This is why the headquarters of the progovernment "National Peasant-Worker Unity, UNOC," is located across from the headquarters of the leftist coalition, the Democratic Convergence. In this way they can take care of each other, Camacho added.

In 1982, the UPD formed an alliance with the PDC and signed the so-called "Social Pact," which was betrayed by the PDC when it assumed power. Before the 1987 elections the UPD, which includes eight labor unions, began talks with the National Conciliation Party (PCN) that were discontinued when it was learned that the PCN had become an "appendage of the PDC," according to union leaders.

UPD leaders—who claim they are backed by no less than 150,000 members of the eight labor unions—thanked ARENA and MAC (Authentic Christian Movement) deputies for making possible the approval of the Law on Transfer of Rural Land for peasant homes, which will favor more than 80,000 farmers who are not affiliated to any political party.

UPD members, who have met with leaders from various political parties have said that they feel closer to ARENA and MAC, particularly after the approval of the aforementioned law "because those are specific measures that will benefit peasants."

Meanwhile, the progovernment faction of the divided UPD said that it will not support any political party in the next elections as it will not be a "puppet" for anyone.

Jesus Amado Perez Marroquin, president of the UPD's parallel organization currently demanding official recognition over its founders, said that the UPD was betrayed in 1984 by the PDC, which sought its support to reach power through an agreement known as the "Social Pact," and forgot it as soon as it assumed power.

"That is why we will not support any political party," Perez Marroquin said, also noting that the organization he heads is apolitical. The progovernment UPD faction claims to be supported by more than 265,000 members, mostly from downtrodden communities and labor groups.

FMLN Sends Condolences to USSR on Quake
PA2312040288 (Clandestine) Radio Venceremos
in Spanish to El Salvador 0000 GMT 22 Dec 88

[Letter from the FMLN General Command to CPSU Secretary General Mikhail Gorbachev; signed by Shafik Jorge Handal in El Salvador on 9 December]

[Text] On behalf of the General Command of the FMLN and all its combatants and militants, I express to you, and through you to the people of Armenia and the entire Soviet Union, our deepest condolences and solidarity regarding the devastating disaster you have suffered. I also express the sorrow and solidarity of all the Salvadoran people, who experienced a similar disaster in October 1986.

The Armenian earthquake occurred at about the same time as your speech to the UN General Assembly. The content of your speech expresses the interests of all mankind and will have an important influence on the positive development of future international relations. I do not doubt that your words at that world forum have had an immediate effect in bringing about prompt international aid for the Armenian people.

Comrade Gorbachev: You raised the historic demands and aspirations of not only developed countries but also of Third World peoples [words indistinct] prospects for peace in the world. However, your analysis was not devoid of the realism that recognizes the acute contradictions and the deep national and international political and socioeconomic causes [words indistinct] of the peoples' struggles to liberate themselves and achieve self-determination.

As you know, the Salvadoran people have taken up arms, but at the same time they have been calling for a negotiated political solution and they have been paying for this with tens of thousands of lives. We have withstood for 8 years and we are defeating the interventionist strategy of U.S. imperialism.

We are sure the people [of the Soviet Union] will soon recover from this terrible blow. They will achieve progress through work and support from all brother peoples of the Soviet Union who are providing international aid. The FMLN has decided to make its modest contribution to this effort. Hundreds of Salvadoran combatants who have been wounded in the war and who are now in Cuba, received by the solidarity of that socialist country, and other militants and leaders of our front who carry out international political work in support of our cause will donate blood for Armenia. The only thing we can give for the time being is our blood, the same blood we are shedding in the struggle [words indistinct].

El Salvador, 9 December 1988

For the FMLN General Command, Commander Shafik Jorge Handal

FMLN Communique on Army Rejection of Truce
PA2312004288 (Clandestine) Radio Farabundo Marti
in Spanish to El Salvador 2317 GMT 22 Dec 88

[Communique issued by the FMLN General Command in El Salvador on 22 December]

[Text] Taking into consideration the desire of various social and religious groups for an atmosphere of peace during the end-of-year holidays, the FMLN proposed a national truce to the Salvadoran Government and Armed Forces. That proposal was completely rejected by the Army, ignoring the country's feelings. With regard to the attitude of the Salvadoran Armed Forces, the FMLN states the following:

1. The Army and the Napoleon Duarte regime are completely responsible for the fact that we cannot reach an understanding that would benefit the people of our country. This is so even when the people's deepest feelings are concerned.

2. The Army rejects all reason, trying desperately to maintain the unjust and repressive system that has led to a war that increasingly justifies and necessitates the people's struggle against hunger and repression. The Army's intransigence will highlight the contrast between the table of the rich and the table of the poor this Christmas. One will be filled with opulence and the other will be filled with nothing. The rich table will be steeped in fear and a sense of defeat, while the poor table will shine with happiness caused by the chain of popular victories in recent months.

The Army's attitude is irrational because in spite of its internal disagreements, the increasing demoralization in its ranks, and its difficult military situation, it refuses to agree to a truce. It is even more irrational to refuse to consider the common wish among soldiers and noncommissioned officers to spend the holidays with their loved ones.

4. [number as heard] The Army's refusal ends the possibility of a truce because, as we have pointed out, [words indistinct] if it is not accompanied by a corresponding gesture from the other side.

5. We call on all our combatants to continue to enthusiastically carry out the political-military plans drawn up by all our people and to fill this year, which is about to end, with more victories.

United to fight until final victory; revolution or death, we will win!

[Signed] FMLN General Command
El Salvador, 22 December 1988

CD's Ungo Differs With FMLN on Mayors
PA2312043888 San Salvador EL MUNDO in Spanish
20 Dec 88 p 32

[Text] The Democratic Convergence [CD] does not endorse the guerrillas' view that mayors are military targets because mayors are unarmed civilian officials, Guillermo Manuel Ungo said yesterday.

Ungo, who is the presidential candidate for the leftist coalition of the MPSC [Social Christian People's Movement], MNR [National Revolutionary Movement], and PSD [Social Democratic Party], made that statement after several mayors received death threats, nine were killed, and six resigned.

"On several occasions, the CD has expressed its opposition to viewing the guerrillas' view that mayors are military targets," said Ungo, who is also FDR president.

"Civilian officials should not be direct targets of military actions," he stressed.

Thus far, it has been learned that the mayors of Santa Clara, Apastepeque, San Ildefonso, San Vicente, Chinameca, El Transito, and San Jorge, and San Miguel have resigned after receiving death threats from the FMLN.

That situation, together with other grave problems affecting the electoral campaign, do not permit the participating political parties to feel that their political positions within society will be respected.

In this regard, he said that although the Armed Forces have said that it will not take part in the political struggle, it has not respected the CD's rights, as all the CD political meetings have been disturbed by threats, militarization, and defamations.

Many members of the leftist coalition are afraid and resent the fact that the Armed Forces only respect the rights of the Christian Democratic Party and the Nationalist Republican Alliance.

"There is an escalation of repression and violence at this very moment," the political leader stressed.

Meanwhile, guerrillas have announced they regard municipal mayors as military targets because they collaborate with the counterinsurgency plan prepared by the Armed Forces, organize paramilitary groups, and carry out military civic action campaigns.

Venceremos on D'Aubuisson's 'Death Threats'
PA2312023488 (Clandestine) Radio Venceremos
in Spanish to El Salvador 0000 GMT 22 Dec 88

[Station commentary: "The Assassin Makes Public Threats"]

[Text] Assassin Roberto D'Aubuisson continues to threaten and issue death threats publicly. On television he threatens anyone who shows devotion to democracy, honesty, and integrity—someone like Reni Roldan of the Democratic Convergence.

The well-known criminal D'Aubuisson has invented the hoax of an alleged FMLN document containing a make-believe plan to assassinate Roldan in an attempt to justify a public and open death threat.

He did the same thing when he was planning to assassinate Msgr Oscar Romero and members of the FDR Executive Committee. Then, he also appeared on television and showed a document. The government, the Armed Forces, and the judges have been unable to do anything—then or now.

There is no authority or law. The country is experiencing a total crisis of authority and values. Criminals make threats on television. They murder university professors and census workers. There is no authority because the alleged authority also has death squads and murders [word indistinct], students, and workers. There is no authority in the government to put an end to this situation.

However, there is another authority, another power. We are getting to the point where this situation will radically change. The whole organization and strength of the FMLN is moving toward the definitive battle. The democratic and progressive political sectors and the popular and revolutionary organizations are marching steadily toward the seizure of power. The criminals should know that we will impose a system of justice on them and that the people's justice will make the criminals and their protectors pay for their crimes.

Rebels, Government Troops Clash in Santa Ana
PA2312004388 San Salvador Canal Doce Television
in Spanish 0300 GMT 21 Dec 88

[Report by Alfredo Villareal]

[Excerpts] A suspected guerrilla was killed in a fierce clash between rebels and government troops early Tuesday morning [20 Dec] in Santa Ana, 66 km west of San

Salvador. According to military sources, about 200 guerrillas from the Feliciano Ama Front took up positions on the outskirts of the city and opened fire on the garrisons of the 2d Infantry Brigade and the National Guard. They did not damage the garrisons or inflict any casualties. [passage omitted]

While the rebels attacked the garrisons, another group attacked the CEL [Lempa River Hydroelectric Executive Commission] San Luis substation, 3 km north of Santa Ana. They caused minor damage to the control room with explosives. This plant distributes all of the electricity for the country's western area, so the damage was repaired under the supervision of CEL engineers. [passage omitted]

FMLN Dynamites Cars, Threatens Officials
PA2212195488 San Salvador Radio Cadena YSU
in Spanish 1800 GMT 22 Dec 88

[Coprefa news bulletin—read by unidentified announcer]

[Excerpt] FMLN-FDR urban terrorists dynamited four official vehicles in San Salvador. The vehicles, with license plates 3412, 3408, 3441, and 144919, owned by the Agriculture and Livestock Ministry's Agrarian Evaluation Service, were destroyed this morning at a parking lot located on 45th South Avenue near the Flor Blanca Stadium. Agriculture Ministry spokesmen estimated the damage to the vehicles to be several thousand colons.

According to a report from the authorities, FMLN-FDR leaders gave 72 hours to the mayors of San Rafael, Santa Rita, and San Francisco Morazan in Chalatenango Department to resign or be murdered.

Meanwhile, at least seven municipal officials have already resigned as a result of threats from the communist hordes of the FMLN-FDR, which are bent on eliminating the current democratic process to seize power at any cost, disregarding the lives of many people who were elected by the people and whose only crime is to work for the good of the people. [passage omitted]

Nicaragua

Ortega To Present Peace Proposal to Bush
PA2312010888 Paris AFP in Spanish 2355 GMT
22 Dec 88

[Text] Managua, 22 Dec (AFP)—Nicaraguan President Daniel Ortega today said that Nicaragua will present to U.S. President-elect George Bush a peace proposal that will touch on security issues, "which supposedly worry Washington the most."

Ortega told the newspaper BARRICADA, mouthpiece of the ruling FSLN, that he will propose that Bush support the establishment of verification mechanisms in Central America "to guarantee that no territory will be used to attack another state."

The Sandinist president said that in this way, the United States could stop worrying "about the alleged shipment of weapons by Nicaragua to revolutionary movements in various countries."

The proposal would also call for a reasonable balance of military forces and weapons in the region, he added.

The Nicaraguan president said he is in no hurry to present these initiatives: "We must wait for Bush to take office and see his position and the attitude that the international community will adopt in the next few weeks to strengthen the trend in favor of negotiations."

Ortega also warned that if Latin America does not strengthen its economy, "the chances that there will be a closing" of democratic opportunities "will be greater and the possibility of armed revolutionary struggles will again be opened."

Regarding Nicaragua, he said that the inflation rate this year will be 26,000 percent and that "as long as we are at war, inflation will continue increasing."

That is why, he said, "we are obliged to increase production and protect the basic sectors of the population."

Regarding the domestic situation, Ortega believes that to the extent that "we are able to wind down the war, the tensions" will not have "the degree of danger that they would have in other circumstances."

In those conditions, "the confrontation would be waged within the constitutional framework" and the right-wing opposition, "which had felt encouraged to act with aggressiveness," would have to either accept the constitutional system "or liquidate itself as a political force," he said.

Envoy Says Use of Soviet Aid 'Improving'
PA2212234888 Managua BARRICADA in Spanish
18 Dec 88 pp 1, 11

["Summary" of interview with Soviet Ambassador Valeriy Nikolayenko by Maria Alicia Talavera; date and place not given]

[Excerpt] [Passage omitted] BARRICADA: What is the USSR's conception of its cooperation with Nicaragua? How is the Nicaraguan use of Soviet aid viewed?

V.N.: The aid continues. It is disinterested and fraternal aid. We do not intend to benefit from it. The sole purpose of this aid is to give the Nicaraguan people the opportunity to live in peace and develop freely according to their own interests.

In the intergovernment meeting held in late November, we reiterated our solidarity and willingness to continue helping in economic, commercial, and scientific-technical areas. The aid and the use of that aid, as well as the efficiency with which it is managed is improving all the time.

BARRICADA: THE WASHINGTON POST recently stated that Moscow has increased its profile in Managua, with your appointment—but it did not increase aid. What is the truth on that?

V.N.: We have always given great importance to our relations with Nicaragua, and that remains unchanged. Our relations are firm and stable. My appointment does not mean much, it is normal. It is an honor for me to be here, especially now that developments under way in Latin America are very promising. We support the Central American peace process, therefore, our relations are not limited to the economic and commercial fields. They also include the political sphere. We view the Central American peace process and the development of relations among Latin American countries with optimism. The dialogue that we (the USSR) have with the United States, which will continue with the new U.S. Administration, will also affect other countries positively. There are good signs in certain conflicts (the U.S.-PLO dialogue, the Brazzaville agreements on Namibian independence, and the agreement on Cuban troops in Angola, as well as the Iran-Iraq conflict).

There is a light at the end of the tunnel. Contacts are underway in Central America. There are hopes for a more realistic policy on the part of the United States toward Central America, this gives us certain optimism on future international relations [passage omitted]

Cardinal on Efforts To Free Prisoners

PA2312002588 Managua Radio Noticias in Spanish
1130 GMT 22 Dec 88

[Statement by Cardinal Miguel Obando y Bravo, archbishop of Managua, on his meeting with the Legislative Assembly's Human Rights Commission; date and place not given—recorded]

[Excerpt] The Legislative Assembly's Human Rights Commission a few days ago sent us a letter expressing surprise over our refusal to meet the mothers of heroes and martyrs. We replied in a letter signed by Msgr Bosco Vivas that I had in fact on one occasion personally met the mothers of heroes and martyrs; that Msgr Bosco Vivas met them on another occasion; and that Msgr

Leopoldo Brenes and Msgr Abelardo Mata have also met them. In addition, while we were in Rome, the mothers were met by priests working in the curia.

They requested an audience and we met them yesterday at 1100. We explained to them at the Bishops Conference headquarters that in our role as the Bishops Conference we had interceded on behalf of people in the hands of the resistance. I also told them that I had insisted on this issue—without success, unfortunately—at the Camino Real Hotel and with Engineer Bermudez during a stopover in Rome.

I told them that when it was announced that persons held by the resistance would be released in Guatemala, we sent Msgr Abelardo Mata to greet them but there were complications. We were told that on this occasion the willingness of three sides is required: the Guatemalan Government, the resistance, and the FSLN. We learned that the FSLN opposed their release on Guatemalan soil and that is why the people in the hands of the resistance are not yet enjoying freedom.

To show our goodwill, we promised to send Msgr Abelardo Mata to Tegucigalpa to contact Tegucigalpa Archbishop Monsignor Hector Santos and if possible, also Msgr [words indistinct] to discuss the feasibility of welcoming those people; to help them gain their freedom.

As pastors, we insisted on our concern over people held by the resistance. However, we also insisted on the need for an amnesty covering as many prisoners as possible who are in government jails in Nicaragua to achieve the reconciliation of the Nicaraguan family. [passage omitted]

Panama

Opposition Leader Wants 'Panama Plan' Continued

PA2312002888 Panama City CRITICA in Spanish
22 Dec 88 pp 32, 14

[Article by Toti Urriola]

[Text] Gabriel Lewis Galindo [Panamanian opposition leader] has said during a meeting in Miami that he has several U.S. senators and State Department officials "on the take" to put pressure on President-elect George Bush to continue with the so-called "Panama plan" which Galindo drafted.

Last weekend's Miami meeting was a true free-for-all involving Gabriel Lewis Galindo, and Bernardo Cardenas [former Panamanian commerce and industries minister]. According to Panamanians living in Miami, the meeting has become this week's talk of the town. Also attending the meeting were dismissed president Eric Arturo Delvalle, Juan B Sosa, and Alberto Garcia de Paredes [former Panamanian Government officials loyal to Delvalle].

According to our source, Bernardo Cardenas started the free-for-all by insisting that it was better to publicly admit the coup attempt led by Delvalle had failed, because the only thing that it achieved was to bankrupt Panamanian private businesses, including some of his own. After hearing Cardenas, Gabriel Lewis Galindo became furious. Lewis Galindo called Cardenas an idiot and added that if Cardenas had done his job right, the results would have been very different; there would not be a stronger government in Panama.

Our sources noted that at this point in the meeting Lewis Galindo went on to explain his new strategy. He said he had not dealt his last card yet, because he had several U.S. senators, with whom he has excellent personal and business ties, eating out of his hand. On this matter, Lewis Galindo noted "he was no asshole," and that many things are done in Washington through "takes" or "bribes." Because he maintains these sort of relations with several of his senator friends, he had gotten them to begin pressuring the U.S. President-elect to continue with his so-called "Panama plan." One of the persons attending the meeting asked if he was referring to Senators Kennedy and D'Amato. Lewis Galindo replied that he will disclose the names of the senators in due time because there were some "economic" matters still pending.

Juan B Sosa gave more explanations. Asking Delvalle to sit down, Sosa told him to be calm because he had reliable information the Panamanian Government was going to fall before 20 January owing to U.S. economic pressures.

Last weekend's Miami meeting has become the talk of the town among Panamanians. One of the secretaries who took notes during the meeting broke the secrecy surrounding the meeting. This secretary was supposed to have prepared the written report that was to be forwarded to U.S. Secretary of State Shultz, as was agreed at from the start by Delvalle's group in the United States. It was learned this week that Delvalle was irked by the leak and ordered the cancellation of the Christmas party he was going to host for his aides this week in Miami.

Editorial on U.S. Ambassador's 'Failed Mission'
PA2212193988 Panama City *MEDIODIA* in Spanish
20 Dec 88 p 4

[Editorial: "The Decline of an Aggressor"]

[Text] As an advocate of the most ill-fated and repudiated regional and extraregional interventions, Mr Arthur Davis has again gone beyond his diplomatic duties to launch epithets against Panama, just as an ambassador deserting a failed mission would be expected to do.

Since time is running out on him, Davis last week hurriedly announced his resignation, as protocol requires, but not without first playing the role of contradictory and poor analyst of the Republic of Panama's internal affairs.

A self-assured aggressor, Davis launches his already languid blusters wearing frayed fatigues as he is being killed in a political war he cannot win. Now, more than ever, wise Panamanians are aware of and describe this as the most recent action of a rabble rouser who will not be able to explain to his superiors, and much less to his people, the disaster he has precipitated.

How can it be explained to the U.S. people that their taxes are being used to pay an official who leaves his post to promote enmity, anxiety, confusion, and disinformation as a fraudulent norm of international coexistence?

How can it be explained to the new U.S. Government that there is an "official," who is no longer a member of its working team, speaking on his own behalf and advocating a hateful relationship and coexistence?

Intoxicated by a monomania, which at times helps him to maintain his sanity but more often distances him from reality, the tired official abandons his mission to install his government's representation at any hotel to discuss our country's election, propose backroom settlements, ignite hotheads on behalf of a future president, trade with human rights that he has himself trampled upon, and suggest useless negotiations that do nothing more than show disrespect for Washington's friends overseas.

Panama in particular and Latin America in general are anxiously awaiting the new U.S. Government to put forward an explicit, correct, and respectful diplomatic relationship to raise the "prestige" and "quality" of its foreign policy.

The U.S. people deserve better representation before the international community. That is only right.

Implications of U.S. Tax Withholding Cited
PA2212191988 Panama City *MATUTINO* in Spanish
22 Dec 88 p 4

["Let the People Judge" column by Ricardo Lince: "Washington Transfers its Policy to the Canal"]

[Text] Permanent suits before international courts is the arena in which Panamanian interests are being defended, and civil suits before U.S. courts is the other arm of Panama's strategic defense plan. However, the demands of the Panama Canal Commission and U.S. Army employees, whose tax payments are being withheld [by the U.S. Government], must also be heard. This offense serves as evidence in [Panama's] demand for the payment of millions of dollars in unpaid bills and in accrued interest. Reagan's action has set a dangerous

precedent for the U.S. capitalist system, because it violates the right of each citizen to his own property, a right the U.S. Constitution protects.

There are serious implications regarding this income tax withholding, because it has been said that these funds are being deposited in a federal account from which only former President Delvalle can make withdrawals. The consensus is that these monies will disappear. Therefore, labor unions are preparing to file suits with the support of large U.S. trade unions with which they are affiliated.

Canal employees are caught between the devil and the deep blue sea because of attachment proceedings filed by the Finance and Treasury Ministry, which views these employees as delinquent taxpayers. In view of the possibility that their property could be sold off, a sit-down strike, which would paralyze the Panama Canal, has not been ruled out.

The situation could further deteriorate for the U.S. Army and Panama Canal Commission if this irregular situation persists. They would have to offer transportation to thousands of employees who make up the canal infrastructure, because without being able to obtain national tax clearance certificates [paz y salvo], to in turn obtain vehicle license plates, these employees would not be able to move about the national territory.

Clandestine Radio Carries Anti-Noriega Message
PA2112041888 Paris AFP in Spanish 0231 GMT
21 Dec 88

[Text] Panama City, 20 Dec (AFP)—The so-called "La Voz de la Libertad," an opposition clandestine station, resumed its broadcasts this week with statements against Panama's "strongman," General Manuel Antonio Noriega.

A "Commander Candelo" of the guerrilla group "Hugo Spadafora Liberation Front," [Frente de Liberacion Hugo Spadafora] today called on Panama Defense Forces officers to disregard the orders of their commanders and turn against Noriega.

The station identifies itself as "an alternative for freedom of the press" in light of the closure, since February, of seven opposition stations and newspapers charged with acting against the state's domestic security.

The announcer said today that former Colonel Eduardo Herrera Hassan, opposition legislator Omaira Mayin Correa, opposition leader Gabriel Lewis Galindo, and Alberto Conte, son of the Panamanian businessman arrested on 22 September, will speak during Wednesday's broadcast.

Eduardo Herrera is a former Panamanian ambassador to Israel and was removed from office earlier this year after being charged with leading subversive groups financed by the United States.

La Voz de la Libertad was first heard in March 1988 and it resumed with a 15-minute broadcast today at 1230 [1730 GMT].

Earlier this year, the Panamanian Government charged that La Voz de la Libertad operates with the help of the Southern Command Network, a U.S. Armed Forces broadcasting system in Panama.

Calls for FDP To Rebel

PA2112042688 Paris AFP in Spanish 0243 GMT
21 Dec 88

[Text] Panama City, 20 Dec (AFP)—A guerrilla group, the Hugo Spadafora Franco Armed Liberation Front [Frente de Liberacion Armada Hugo Spadafora Franco], FLASH, today asked Panama Defense Forces [FDP] soldiers and officers to rebel against their commander, General Manuel Antonio Noriega.

In a clandestine broadcast of "La Voz de la Libertad," which resumed transmissions yesterday "from the jungles" of Panama, a "Commander Candelo" of the FLASH accused the FDP of being run by "drug traffickers and bandits" who are leading the country into a "dead-end street."

FLASH, an organization that has carried out no armed actions, said it is inspired by the ideals of former guerrilla and opposition leader Hugo Spadafora, beheaded by unknown persons on 13 September 1985 near the Costa Rican border.

The broadcast, announced in leaflets distributed in middle-class neighborhoods and private businesses over the weekend, asked the soldiers to "stop and think, because the ones on top can always leave the country; but, unfortunately, the soldiers and officers are the ones who stay and suffer the consequences."

"Reject all repression against your people," Candelo said, adding that "our actions are inspired by the highest ideals of Commander Hugo Spadafora: freedom, justice, democracy, God, and homeland."

Civic Crusade Member Summoned for Questioning
PA2212221888 Panama City MEDIUM in Spanish
21 Dec 88 p 2

[Text] Mauricio Douglas, president of the Association of Private School Teachers, appeared at the Third District Attorney's Office yesterday in response to a summons issued by the attorney general on suspicion of being involved in actions against the state's security.

Douglas told the press that during his talk with officials at the district attorney's office, he pleaded "not guilty" to the charges against him.

The teacher is being investigated for his alleged participation in the drafting of a Civic Crusade document that proposed the installation of a transition government in Panama.

It was also reported that during this week and in 1989, 15 Civic Crusade leaders will be summoned for questioning. The names of these persons were not revealed to MEDIODIA.

FDP Explains Civic Crusade Leader Departure
PA2212225788 Panama City LA ESTRELLA DE PANAMA in Spanish 22 Dec 88 p 1

[Communique issued by the Panama Defense Forces, FDP, Public Relations Directorate in Panama City on 22 December]

[Text] The FDP Public Relations Directorate reports to the public that Roberto Brenes left for the United States aboard a Pan American Airlines flight on Wednesday, 21 December.

Mr Brenes himself made the decision to leave when state security forces discovered that he was involved in activities against the country's security.

It should be stressed that Brenes had returned to Panama earlier this year after agreeing and stating that he would stop engaging in activities against the state's internal security. This agreement was vouched for by Mr Billy de Saint Malo.

According to information obtained through an intensive investigation, it was confirmed that Mr Brenes had violated this agreement by raising funds in the United States and using them to finance activities aimed at undermining order and established institutions at a time when the Panamanian people, with Christian fervor, are celebrating the nativity of the Holy Redeemer and the New Year.

Panama, December 22, 1988

PPA Says Suspended Directors Betrayed Party
PA2212231488 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Dec 88 pp A-1, D-8

[Signed statement by the "mass organization" of the Authentic Panamenist Party, PPA: "Betrayal of the People Will Always be Discovered"]

[Text] The attempt made by the four suspended leaders, Adames, Artola, Munoz, and Endara, to surrender to the vested interests of the oligarchic clans is a betrayal of Arnulfist principles, and has been repudiated by the Authentic Panamenist Party's (PPA) mass organization and the party's rank and file, both of which are drawn from the majority of the Panamanian people.

A total failure is how best to describe the meetings organized this weekend by these traitors, who pretend to be part of the political opposition, while at the same time making deals with government leaders. In various parts of Veraguas, Panama, and Cocle, there were bags filled with dollars, trying to buy off the faithful followers of the "feisty little snakes" [reference to symbols on the party flag], who will not put up with this kind of electoral garbage. Gentlemen, do not dress up, because you are not going anywhere. All of the imperial Mafia gold in the hands of Gilbertin [Gilberto Arias] and Pim [not further identified] is garbage, and is rejected by the honesty of Panama's poorer classes. The backgrounds of the PPA's 21 new directors speak for themselves. They do not need anyone to defend them.

On the matter of the four suspended members of the PPA's old directorate, the Disciplinary Tribunal acted before a Notary Public; the clear manner in which the new directors were selected will be made known at the appropriate time. The tinhorn chatterboxes who speak on behalf of the 'Four Horsemen of the Apocalypse' are unscrupulous tricksters who have absolutely no credibility. Our Lord said: By their deeds shall you know them.

In addition, he [not further identified] forgot about St Jude Thaddeus, the miracle-making disciple of Jesus. Regarding the famous statements he put in the mouth of our leader and founder, nobody in Panama pays attention to him any more. Just ask Domplin, the famous radio talk show host, who makes fun of his stupidities every day.

Both he [not further identified] and the other sycophants of those who betrayed the Party and the Panamanian people are marked, and their stigma cannot be removed.

The mass organization of the PPA

Rognoni Says Economy 30-40 Percent Below Normal
PA2212213788 Panama City Telemetro in Spanish 2300 GMT 21 Dec 88

[Statements by Panamanian Commerce and Industry Minister Mario Rognoni; date and place not given—recorded]

[Text] [Rognoni] The government must make adjustments to adapt to the real amount of revenues available. We should not hope for revenues that we will not collect in the country's present situation. However, no one will be sacrificed. The sacrifice must be shared and must cause the least damage to the country's social and economic development. The burden must be distributed on the basis of a political and economic solution benefiting the majority of Panamanians.

If the increase in expenditures and the reduction of revenues lead to a reduction in working hours or personnel, that political decision will be made at the proper time. There are enough intelligent people in the country to devise measures to reactivate the economy, minimize the pain of the sacrifice, and allow the country to work normally, even though our economic

activity may be 30 to 40 percent below previous levels. I think the government must look in two directions: It must seek to increase its revenues. This can be done by collecting taxes efficiently, levying new taxes, or imposing a fair tax on some items that are not affected by the crisis. At the same time, it must spur economic recovery.

Argentina

Intelligence Secretary on 'Psychological Campaign'
PY2212225988 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1210 GMT 22 Dec 88

[Text] Buenos Aires, 22 Dec (NA)—Facundo Suarez, chief of the Secretariat for State Intelligence (SIDE), today said that there is a "psychological campaign to make the Montoneros guerrilla organization appear that it is about to conduct large scale operations," adding that "there is no threat to order in the country."

He also said that the report of a secret SIDE memorandum, disclosed yesterday by Justicialist Deputies Julio Corzo and Augusto Alasino, which indicates that the SIDE was ordered to check on the activities of presidential candidate Carlos Menem and his wife is "absolutely false."

Suarez also said that the report about a connection between Colonel Mohamed Ali Seineldin with drug trafficking is a "lie." Suarez added that Seineldin "is politically quite wrong, but he is a man known for his high moral principles."

Suarez told Radio Continental that the reports about a new outbreak of terrorist activities by the Montoneros organization is "a psychological campaign being conducted by some groups that want to obstruct the democratic process."

Suarez recognized, however, that two people who have links to the Montoneros took part in the hold up of Mercantil Bank in the Mataderos district. One of them was Osvaldo Olmedo, who was killed in the hold up, and another individual.

He said that SIDE has the "obligation to prevent the actions" of splint groups of Montoneros and to check on people who have outstanding arrest warrants and who are abroad, such as Perdia and Vaca Narvaja.

Suarez said that the alleged memorandum reported by Deputies Alasino and Corzo "does not exist and it is not the terminology used by the intelligence service in the conduction of any type of investigation."

He added: "Menem and his wife are not a target for any investigation by the secret service or the Argentine intelligence service."

Suarez said that "if the secret service" did what the memorandum disclosed by the two legislators, said, "which I deny, then we would be violating presidential instructions on the protection to be given to presidential candidates."

He added that "Menem has his own immunity because he is a governor and also a presidential candidate."

Suarez said that the memorandum was attributed to a SIDE under secretary who was allegedly the acting SIDE chief when Suarez was ill.

Regarding Seineldin, he pointed out that "it is publicly known" that around Seineldin there are "groups of civilians" of rightist ideology and that their activities are being investigated.

He also denied an investigation into a connection between Menem and Seineldin. He also said that the report about a connection between Seineldin with drug trafficking "is a lie" but he also said that "the sectors which advocate a coup may be linked to drug trafficking."

He added: "Seineldin has a wrong view of Argentine politics but no one should think for any reason that he has any links with drug trafficking."

He said that this sort of thing "serves to create hate and divisions among Argentines."

Suarez also said that he is not aware of a report that the Foreign Ministry reportedly supports the distribution abroad of the novel about Peron written by Tomas Eloy Martinez. He said that this is not under his jurisdiction.

Regarding the alleged activities by Montoneros, Suarez said that the SIDE has the responsibility "to continue investigating and cooperating with the justice department."

Device Explodes at Army Staff Headquarters
PY2212142488 Buenos Aires TELAM in Spanish
1338 GMT 22 Dec 88

[Text] Buenos Aires, 22 Dec (TELAM)—Just before noon today unknown individuals threw an explosive device at the right wing of the Libertador Building, seat of the Army General Staff. Some parked vehicles were damaged, but there were no victims.

The device was presumably thrown from a vehicle driving along the side of the Plaza de Armas. After throwing the explosives, they made a quick escape.

Federal Police Explosives Brigade personnel and Army experts carried out a careful inspection to see whether there was another explosive device, but the result was negative.

Bolivia

Bedregal Reports To Paz on Vienna Conference
PY2212145388 La Paz La Red Panamericana
in Spanish 1130 GMT 22 Dec 88

[Text] Bolivian Foreign Minister Guillermo Bedregal Gutierrez has sent a note to Bolivian President Victor Paz Estenssoro reporting on the results of the UN plenipotentiary representatives conference on drugs recently held in Vienna, Austria.

The Foreign Ministry released the text of the note, which was delivered to the chief executive by Foreign Ministry Under Secretary General [title as heard] Jorge Gumucio Granier.

The text of the Bolivian foreign ministry's note follows: Your Excellency, Mr President, I have the honor of informing you that the UN conference on the approval of an accord on the struggle against illegal drug and controlled substances trafficking activities has ended satisfactorily and that its final text was unanimously approved.

The note adds: I want to express special satisfaction over the important task performed by the Bolivian delegation and its leading role. I appreciate the confidence of Your Excellency as you authorized me to chair the conference. I believe that this also represents an honor for our fatherland.

Foreign Minister Bedregal Gutierrez again mentioned the documents that he will sign with Israeli representatives, documents that are included in the studies completed by the mixed commission.

The foreign minister is expected to return within the next few days.

Chile

Stange Calls Political Meeting 'Positive'

PY2312012688 Santiago Domestic Service in Spanish
2200 GMT 22 Dec 88

[Text] Carabineros Chief General Rodolfo Stange today labeled the meeting of politicians to exchange ideas and to strengthen unity among Chileans as very positive. Stange referred to the meeting of the political leaders of the Christian Democratic Party [PDC] and the National Renewal Party. He made his remarks at the conclusion of a ceremony in Los Quenes.

Stange and high-ranking Carabineros officials laid the cornerstone for a new Carabineros post, which will replace the post destroyed in a terrorist attack on 21 October 1988, in which Corporal Juvenal Vargas Sepulveda was killed.

Stange said that the meeting of political leaders was a very positive step toward dialogue among Chileans.

[Begin recording] [Stange] [Words indistinct] extremely positive to see the high leadership of two legally registered and active political parties meet to exchange ideas and to work for unity. I find this to be extremely positive. I hope the results of the meeting will have the importance the participants deserve.

[Reporter] General, what will the position of the government junta be after the PDC and National Renewal Party submit their proposals to amend the Constitution?

[Stange] Let us not rush. An initial meeting was held, and we still do not know what will happen. We do not know the conclusions of the meeting; therefore, we should wait to see what happens. After that the junta will make a decision. [end recording]

Regarding the ceremony held in Los Quenes, Gen Stange said that it was not just another ceremony, but a special ceremony of profound meaning for the Los Quenes community and the Carabineros who were hurt by the terrorist action. He said that it is logical to repair the damage done to this community.

FACH Commander Denies Airplane Transactions

PY2212144188 Santiago Domestic Service in Spanish
0930 GMT 22 Dec 88

[Text] Chilean Air Force (FACH) Commander in Chief General Fernando Matthei has reiterated that the FACH is not selling F-5 planes, adding that the reports that the FACH is still negotiating the sale of such planes are inaccurate.

The FACH, he said, is neither selling F-5 planes nor buying any type of plane.

[Begin Matthei recording, in progress]...as I have said on many occasions, and such reports were accurate until, let's say September. Thereafter, on one occasion, they say I easily change my mind, I realized that it would be disadvantageous for us. I therefore reconsidered the decision.

Consequently, I can categorically assure you that those reports are inaccurate. They were accurate at the time they were released, but they were no longer true when the magazines hit the streets. We are not selling F-5's and we are not buying any other type of plane. [end recording]

Asked about the new Mirage Panther being built by the National Aeronautical Company, ENAER, Matthei said that it has met all expectations and that it is neither better nor worse than other models, adding that strict design criteria were followed and that the plane is exceptionally good and competitive.

Matthei concluded by saying that the FACH will continue to modernize its planes and that the force will build three to four planes every year.

Social Democratic Party Announces New Board

PY2212211888 Santiago EL MERCURIO in Spanish
16 Dec 88 p C-4

[Summary] The Social Democratic Party, which is being created, has informed the Electoral Service of its provisional party board, which comprises Rene Manzur Majluf, president; Juan Valentin Farias Padilla, first vice

president; Enrique Mendez Torres, second vice president; Claudia Elena Mendoza Mora, third vice president; Luis Amable Caballero Rodriguez, director; Nicolas Horacio Alvarez Guerra, secretary general; and Jorge Romero Eggemeyer, under secretary.

Army Deputy Commander Promoted to General
PY2212210888 Santiago EL MERCURIO in Spanish
13 Dec 88 p C-7

[Summary] Major General Jorge Zincke Quiroz, who was recently appointed Army deputy commander, has been promoted to the rank of general. He will assume his new post on 15 December.

New Navy Judge Advocate To Assume Position
PY2212211088 Santiago EL MERCURIO in Spanish
13 Dec 88 p C-7

[Summary] Navy Captain Mario Duvauchellet Rodriguez will take the post of Navy judge advocate, replacing Rear Admiral Aldo Montagna Bargetto who has resigned. Captain Duvauchellet will be promoted to the rank of rear admiral as soon as he assumes his new post.

3 'Seriously Injured' in Bomb Blast in Santiago
PY2212144788 Santiago Domestic Service in Spanish
0930 GMT 22 Dec 88

[Text] Three people were seriously injured in a bomb blast in San Miguel at the corner of Salesiano Avenue and Chiloe Street in Santiago. Police sources said that the three injured people may be responsible for the blast, and that possibility is being investigated. Those injured are Carlos Andres Concha Mendez, Caupolican Ignacio Rodriguez Lara, and Enrique Querubin Martinez Caceres, who were taken to the first-aid station of the Ramon Barros Lucio hospital. Hospital sources said that the three men sustained serious injuries.

Colombia

FARC Breaks Cease-Fire, Kills 7 Soldiers
PA2212141788 Bogota Emisoras Caracol Network
in Spanish 1215 GMT 22 Dec 88

[Report by Carlos Gomez Herrera]

[Text] Bogota—The 1st and 7th Fronts of the FARC operating in the eastern plains have ambushed a boat carrying Armed Forces members, killing seven and wounding seven others on the Guayabero River, Guaviare Commissariat.

A (?Service) Battalion patrol of the Army's 7th Brigade was heading from San Jose del Guaviare to (La Carpa) to relieve troops at a military base in that area of the country when they were surprised by more than 200 guerrillas firing from both banks of the river. Those

killed include one officer, two noncommissioned officers, and four marines. Seven marines also aboard the launch were wounded and taken to a medical center in San Jose del Guaviare.

The attack took place exactly 1 year after the Army managed to enter the (La Carpa) area, which had been occupied exclusively by the FARC. Airborne troops of the 7th Brigade and the Army's 4th Division are pursuing members of the FARC fronts who violated a Christmas truce in the eastern plains by attacking this patrol.

*** Extent of Army Control, Paramilitary Threat**
33480053b Bogota EL TIEMPO in Spanish
14 Nov 88 p 10-A

[Article by Edgar Torres: "Is War Spreading Throughout the Country?"]

[Text] Even before the "Uraba Case" developed, toward the middle of the year, a number of the men closest to President Virgilio Barco had warned of the danger, and some of them had even dared to whisper: "Something like this... would mean a slaughter."

And the fact is that for these individuals, the massacres of the banana workers on the Honduras and La Negra Plantations in Uraba on 4 March contained a warning of the imminent risk of the "generalized spread" of armed conflict in the medium time range. The reason: the emergence of the "civil counter guerrilla" force.

This was a "hunch" which in a way, began in April to make a reality of the slaughter of some 300 peasants said to be helping the Popular Liberation Army (EPL) in "La Mejor Esquina" (Cordoba).

And it was later made a reality, at the time of the bloodshed in Segovia 72 hours ago, with the dozens of corpses which fell, scattered along the paths and in the districts of Cesar, Huila, Tolima, Santander and Meta, following frenetic bursts of gunfire. The total to date is 19 killings.

For the most part, a colleague very close to the chief of state notes with extraordinary concern, this is "a response by the extremists to the excesses committed during 2 decades of subversion, extortion, kidnapping and treacherous ambushes."

In practice, the conflict is spreading. It is a conflict which has proceeded through various phases with dizzying speed. The first involved 34 victims, including civilians and the military, in Saiza. This was the work of the National Guerrilla Coordination Group (CNG). And then came the paramilitary response, with the slaughter of the peasants in El Tomate.

The second phase brought the first clash between the paramilitary and guerrilla forces. Last Saturday, a group called Death to the Revolutionaries in the Northeast (MRN) undertook to rescue two Civil Defense officers during a direct clash with the National Liberation Army (ELN).

Another 'State'

Finally, some government officials note with consternation that all the incidents which have occurred show that the 4 March massacre constituted a milestone in what has been described to date as the campaign against rebellion in Colombia.

Yesterday's "hunch" is a reality today. "Organizations unrelated to the government," a former presidential adviser says, "and headed by extremists as insane as those they are fighting, have decided to go into action."

The heads of the security bodies, the brains of the criminal investigation corps and officials in departments close to the chief of state at the Casa de Narino agree on the explanation of a phenomenon which appears to be a new outburst in the explosive law-and-order situation.

"Exasperated with what they interpret as the impotence of the executive branch and its armed forces, and bolstered by their certainty about the 'communist threat,' the paramilitary forces have decided to take over the antsubversive struggle from the state. They are something like another state within the state."

In plain language, what is involved is the consolidation of what a confidential report by the Administrative Department of Security (DAS) to President Barco warned of some months back: "In the shadow of the self-defense groups, dark organizations of hired assassins are beginning to consolidate."

In practice, veritable private armies, according to reports in the hands of the government, are waging real and bold anticommunist crusades which are being financed by the men of the mafia.

These are organizations which, to quote what the national director of criminal investigation, Eduardo Lozano, said in an interview granted to EL TIEMPO, are beginning to win the sympathy and economic support of "the most reactionary estate owners in each region of the country."

Another bitter aspect of this phenomenon is that, "these groups, in some cases," according to reports in the hands of several ministers, "are developing and operating while some lower command levels in the Army and the police look on with indifference."

The discovery of training camps and the certainty that the paramilitary forces have communications equipment and weaponry which are as sophisticated, or more so,

than those in the hands of the subversive forces have led some experts to contemplate the future with anguish, foreseeing that the civilian population and the government itself will be engulfed by two armies blinded by the same voracity.

Why the Risk?

For the present, the main concern of the men in government has to do with what might develop out of the action of the paramilitary forces—a sudden link between the civilian population, either as protagonists or as victims, and a situation which has until now seemed distant—armed conflict.

In the view of a number of the president's advisers, the activities of the paramilitary forces are pure dynamite. Particularly at a time when the subversives are beginning to strike at civilian and military sectors alike.

The attack made by the Revolutionary Armed Forces of Colombia (FARC) on an interurban bus in Caqueta on 2 October, which left four civilians and 15 soldiers dead and 10 or so private citizens wounded, is evidence of this.

In principle, the attack in Segovia, like that perpetrated some weeks ago against the population of Saiza, seems to give credence to an extremist inclination to polarize the country, no longer now through ideological defenses, but rather territorial ones.

In the opinion of some people, a kind of Salvadorization is taking place, wherein vast regions and major population groups are identified as militants in one band or the other. This would be the reason for the indiscriminate firing on the people—generalized conflict.

In a way, this is what is suggested by a number of the statements in the pamphlet put out by the clandestine organization which calls itself Death to the Revolutionaries in the Northeast.

"Peace with those who violate it with weapons, cannot be achieved by means of doves." "We adopt as our slogans the guidelines issued by the man who will continue to be our general, Rafael Samudio Molina, urging the conscientious and determined resumption of offensive operations throughout the length and breadth of Colombian territory against our common enemy, generalized subversion, whatever its source."

To summarize, as Minister of Justice Guillermo Plazas Alcid noted in recent statements, "If the state has lost absolute control of force, the subversives have lost absolute control of terror."

And the challenge? It is tremendous, in the view of the highest ranking officials in the government. It is necessary to counter both, the extremists on the left and those on the right, in an unequalled test of a nation of 28

million citizens who, in the words of leading personalities, are facing one of the greatest challenges in their history—saving their democracy.

*** MRN Paramilitary Group Frees Hostages**
33480053a Bogota EL TIEMPO in Spanish
13 Nov 88 p 11-A

[Text] In the first armed clash to occur in this country between the guerrilla and paramilitary forces, which lasted almost an hour, two members of Civil Defense who were kidnapped last Sunday by the subversives were "liberated" by the armed group known as the Death to the Revolutionaries in the Northeast Movement (MRN).

This paramilitary group is on a list of 140 denounced in October of last year by the minister of government, Cesar Gaviria Trujillo, in the speech he made when the subject was being debated in the Chamber of Representatives.

Major Guillermo Rodriguez Velasquez (retired) and First Sergeant Miguel Antonio Avila Barreto (retired) were seized on Sunday afternoon on the road between Puerto Triunfo and Doradal (Antioquia) by an armed group which identified itself first as affiliated with the M-19, and later with the National Liberation Army (ELN).

The kidnappers kept the two men prisoners in a mountain zone until Wednesday afternoon. During that period, they told the two members of Civil Defense that the purpose of their kidnapping was to send a message to the government, which they were unable to do because they were apparently waiting for one of the commanders, who failed to arrive.

Toward 5:00 pm on Wednesday, there was a battle which lasted almost an hour. However, the clash was not with the Army, but with the MRN paramilitary group. The guerrilla fighters fled and the two kidnap victims found themselves in the hands of at least 30 other men.

They only told the two kidnap victims that they had come to rescue them, and they delivered to them a communique intended for the various media.

Between Wednesday night and Friday morning, when they finally found themselves fully free, the two men were forced to march blindfolded, day and night, without being told anything different from the initial statements.

On Friday, when they reached a highway, the retired officers were turned over to three men and put into a vehicle which let them off near the barracks of the Bombona Battalion, to which they reported.

They returned to Bogota yesterday with the communique, which they turned over to the press. According to the Civil Defense officers, they did not see the faces of any of their captors while they were in the hands of the guerrilla and paramilitary forces, and could only hear their voices.

The two Civil Defense volunteers were engaged in community assistance work in Puerto Triunfo. While they were returning to Medellin in a vehicle along with two other volunteers, an automobile blocked their path. Several men and women emerged and chose those to be kidnapped at random. The others were left at liberty, with instructions to report the kidnapping of their two comrades. Yesterday, after delivering their report to the Civil Defense Office, the two former officers returned to Medellin to meet with their families.

The MRN Communique

Maj Guillermo Rodriguez Velasquez, the regional Civil Defense representative for Antioquia, and Sgt Miguel Antonio Avila Barreto, a promotion agent for that body, who were kidnapped by the ELN, were rescued by members of the paramilitary group which operates in this part of Antioquia and calls itself Death to the Revolutionaries in the Northeast.

The group issued a communique describing what its members had done in the following terms:

"Death to the Revolutionaries in the Northeast makes known to the public:

"1. That on 9 November 1988, at approximately 5:50 pm, the Alirio Caceres Caro commando unit of our organization made contact with a redoubt of the ELN on the Alto de Dolores path in the municipal jurisdiction of San Jose del Nus, with the following results:

"Maj Guillermo Rodriguez Velasquez, the regional Civil Defense representative for Antioquia, and Sgt Miguel Antonio Avila Barreto, a promotion agent for that organization, were rescued from the hands of bandits.

"In view of their vile and cowardly action, we again categorically and absolutely condemn extortion, kidnapping and blackmail as methods of financing subversive activities to the detriment of the good citizens who still live in our martyred country.

"We flatly reject the statements made by the president of the republic at the commemoration of the anniversary of the founding of the National Police as fallacious and deceitful and designed to lead to leftist pluralism which can do the country no good. We adopt as our slogans the guidelines issued by the man who continues to be our

general, Rafael Samudio Molina, urging the conscientious and determined resumption of offensive operations throughout the length and breadth of Colombian territory against our common enemy, generalized subversion, whatever its source.

"The disloyalty of the high military commanders who seem on some occasions to have forgotten the oath they swore, which was not to abandon higher commanders and comrades in time of war or on any other occasion, is foreign to our movement.

"Despite the above, we continue to support our Colombian Military Forces unflinchingly and unconditionally, as they are the firm bastion wherein great lessons for the fatherland and its democracy have been crystallized for many years.

"We recognize that the situation in the country is not the best, but we urge each good Colombian citizen to add his grain of sand for the purpose of making of this land a country in which the seeds of faith and optimism about a better future can reproduce.

"This is addressed from the mountains of the Northeast to all of Colombia.

"General Staff of the MRN, November 1988.

"Peace with those who violate peace with weapons, is not achieved with doves."

*** ANDI Study Sees Stagnating Economy**
33480055c Medellin EL COLOMBIANO in Spanish
5 Nov 88 p 7-A

[Article by Gustavo Leon Ramirez O.: "There Is a Bottleneck in the Productive Sector"]

[Excerpts] The National Association of Industrialists (ANDI) has charged that, during the first 9 months of the year, the country has shown evidence of a bottleneck in the real sector of its economy.

In its Current Economic Situation report, prepared by the office of the vice chairman for economic affairs, the association noted that, although manufacturing and commercial activities are posting good balance sheets, the slowdown that they have seen this year is disturbing [passage omitted].

It explained that the real growth anticipated for the year, according to the government, is 5 percent, and the nominal growth exceeds 30 percent; the medium of exchange and the expanded money supply are attaining annual growth rates of only 25.8 and 21 percent, respectively.

It added that, during the past 9 months, there has been no variation in the medium of exchange, and the money supply has scarcely reached 12.6 percent.

It claimed: "The foregoing proves that there has been a bottleneck in the real sector of the economy. A slight moderation in the growth rate of monetary aggregates at the end of last year would have been sufficient."

The association claimed that the measures adopted by the government to control interest rates administratively were not initially accompanied by the liquidity required to achieve their stabilization, something that also upset the normal development of the institutional financial market.

Bewildering Management

ANDI remarked that the open market operations (aimed at shrinking the money supply) showed a significant increment and were reinforced by the Monetary Board, which blocked the monetization of foreign funds through Resolution 3/88.

It declared that the latter required public entities to invest the surplus liquidity not used in convertible securities. ANDI disclosed that by September, 215 billion pesos had been frozen in this manner.

It also maintained that the government did not achieve a high rate of investment, due either to the excessive red tape in public contracting, or delays in budget approvals, or in order to seek its compatibility in the monetary area.

According to the industrialists, in this way the management of fiscal policy was made subordinate to that of monetary policy; this was at the expense of the productive sector and of social spending, at a time when the government should have reduced cash reserves, postponing the regulations on Bank of the Republic transactions until the payments from the General Treasury of the Republic went into circulation and a decision was made on an increase in domestic coffee prices.

The industrialists claimed: "As a result of all the foregoing, there is no doubt that the slower growth allowed by the economic authorities will to a large extent be a reflection of the deficit in the economy.

"It is regrettable that, after the effort expended and the costs incurred by the country in reestablishing itself on the path of growth, we are departing from it, upsetting its pace with the reckless, bewildering management of the monetary policy."

Indexes

In its evaluation, ANDI asserted that industrial production had increased by 5.7 percent as of July, similar to the rate observed during the same period last year.

It said that the group of industries in the capital goods category showed a growth of 20 percent, due largely to vehicle production.

As for raw materials and consumer goods, the association reported growth of 4.9 and 2.4 percent, but that the slowdown in demand heightened the accumulation of stocks, particularly in July and August; this was a factor limiting the development of business firms.

Commenting on the expectations for the final quarter, it remarked that 72 percent of industrialists expect it to be good, but they are less optimistic when comparing it with that of 1987.

As for commercial activity sales during the first half, ANDI observed that they also showed a slowdown, due to high inflation rates and problems generated in demand. Their growth stood at 9.5 percent, whereas it was 8.1 percent in 1987.

It declared that, despite the recent measures adopted on credit cards, sales are expected to increase because of domestic coffee prices and the downward trend in food prices.

It stressed that, this year, the agricultural-livestock sector will post a growth of 3.3 percent, less than that in 1987, when the real growth in the GDP of that sector was 5.9. It acknowledged as a positive feature the special program undertaken by the Ministry of Agriculture, concentrated on the development of eight staple products in the family market basket.

Deterioration

On the other hand, the association reported that employment continues to show a favorable performance. The unemployment rate in September stood at 10 percent, as a result of a greater increase in the number of persons employed than in the labor supply.

It disclosed that, last year, 144,000 jobs were generated in the country, and 110,000 persons entered the job market. It added that the employment rate is lower than that observed between September 1986 and 1987, when it rose 5.2 percent; but noted that the current 4.6 percent is an acceptable figure.

With regard to prices, it claimed that, thus far this year, inflation has reached 21.7 percent, in other words, the initial target set by the government for 1988.

Incomprehensible

Nevertheless, according to ANDI, the leading indicators of the balance of international payments reflect a severe deterioration.

The trade balance of the international payments balance posts a surplus of \$560 million, 3.9 percent less than that in September 1987; the balance of services and transfers shows an exacerbation of its deficit, which rose from \$269 million last year to \$495 million in 1988. Based on

the foregoing, the current account shows a surplus of only \$65 million, 79 percent less than that for September 1987, which was \$314 million.

It also indicated that nontraditional exports have shown a positive development.

The association expressed concern over the petroleum situation, because the exportable volume has been affected by the attacks on oil pipelines, a larger world supply, and low prices.

Commenting on the issue of public finances, it revealed that in August the budget deficit stood at 96 billion pesos, and the fiscal deficit, at 70 billion pesos, "amounts that seem moderate thus far, if one considers the targets set by the government in this area."

It noted that public investment has shown decline; of the total amount budgeted, 23 percent has been authorized and 18.5 percent has been paid. On the other hand, it added, the spending on operating costs, debt service and congressional assistance shows an increase.

It remarked that, of the total tax revenue as of August, 60 percent related to internal activity, and 40 percent to external activity; both categories showing growth rates in excess of 40 percent.

Finally, the association reported that the consolidated public sector budget bill for 1989 exceeds 3 trillion pesos, and would represent approximately 20 percent of that year's nominal GDP. It announced that the shortage will total about 400 billion pesos, which will be financed with foreign funds.

It maintained: "We are confident that the action taken by the present government, our fulfillment of obligations to the international banks, and the acceptable progress in our economic indicators will constitute basic grounds for the procurement of foreign funds; if they are not procured, the investment programs urgently demanded by the country would fail to be implemented."

And it also pointed out: "The position of the international banks, impeding our country's access to the funds requested, while at the same time constantly citing us as an example of fulfillment of obligations in Latin American, is incomprehensible. So, it is fitting to ask: To whose advantage it is, in the international context, to refuse funds to a country that been characterized as one which pays its foreign debts?"

Police Seize 25 Kg Cocaine, Detain 4 in Bogota
PA2312024488 Bogota Inravisión Television Cadena 1 in Spanish 1730 GMT 21 Dec 88

[Summary] There is good news in the fight against drug trafficking. Police have seized 25 kg of cocaine at the El Dorado International Airport in Bogota. Four men, apparently members of a large international drug trafficking ring, have been detained.

Colombian authorities and the DEA are trying to establish the true identity of a so-called William Ross, who was to receive the cocaine shipment from Colombia at Miami airport. Disguised as merchandise, the drugs had been stored in cartons aboard a Lineas Aereas del Caribe aircraft. The traffickers had apparently dispatched several shipments already.

The authorities are withholding the identities of the four detained men in an attempt to find out the ring leaders' names. The police and agents of the Prosecutor General's Office confiscated the airway bill covering the shipment on the Miami-Canada route.

Ecuador

Foreign Ministry Says Japan To Reschedule Loans
OW2012040888 Tokyo KYODO in English 2302 GMT 19 Dec 88

[Text] Tokyo, Dec 20 KYODO—Japan has agreed to reschedule 6,109 million yen of yen-denominated loans and 14 million dollars (about 1,750 million yen) of dollar-quoted loans to Ecuador, the Foreign Ministry said Tuesday.

Ecuador was originally scheduled to complete repayment of the loans by the end of February 1989.

Under the agreement, Ecuador will repay the debts after 1994, ministry officials said.

Diplomats exchanged documents on the rescheduling in Quito Monday, the officials said.

*** Role of Informal Economy in National Production**
33480059a Quito HOY in Spanish 12 Nov 88 p 2-A

[Text] The urban informal sector's (SIU) presence on the nation's streets and squares is an increasingly visible event, transcending the theoretical discussion of its features.

It is in this sector that the underemployed join together and survive under unstable employment conditions, with the poorest working conditions, uncertainty about their future, and insufficient income.

According to the 1988 National Accounts prepared by the Central Bank, "there is a growing concern to gauge and study the informal economy."

Based on the data published by the Central Bank, households are making a significant contribution to the country's total production. For example, by 1987, 60.2 percent of production originated in the household sector, and 30.6 percent in public and private companies and quasi-companies, as well as financial institutions. Public administrations contributed 9.2 percent.

According to this publication, household accounts are an approximation of the SIU, because that sector is comprised of individual enterprises not legally established as such. Owing to methodological and statistical (and even theoretical) problems, the Central Bank is currently procuring the data on this sector from indirect statistical sources or from account balances.

A chart from National Accounts No II prepared by HOY and entitled "Household Participation in Total Production", cites the participation in 1978 as 60.2; in 1979, 55.5; in 1980, 53.8; in 1981, 54.3; in 1982, 53.8; in 1983, 55.9; in 1984, 55.2; in 1985, 54.3; in 1986, 56.7; and in 1987, 60.2 percent.

One notes on the chart that, in any event, since 1978, household production has exceeded 50 percent of total production; the trend has been upward since 1982, a year in which the economic recession appeared and the adjustment programs began.

Since 1982, with the rise in underemployment and unemployment rates, one also observes an expansion in informal activities, because the SIU became established as a generator of employment and a recipient of the work force displaced by the formal sectors.

Several factors have caused the expansion of the informal phenomenon. On the one hand, the industrial development initiated during the last decade gave priority to capital-intensive technology, so that manufacturing did not become a generator of employment but, on the contrary, brought ruin to large sectors of tradespeople. It is important to note, for example, that in 1984, 51 percent of industrial workers worked in business firms with fewer than 10 employees; while 84 percent of the industry's value added was generated by establishments employing over 10 workers.

In agriculture as well, a technological innovation dissociated from the country's productive factors occurred; this proved to be a decisive factor in rural to urban area migration.

The recession has caused a decline in productive investment, which has curtailed the creation of jobs.

The constant reduction in the workers' real income, in connection with the adjustment policy, has prompted all members of the household to seek employment, in order to "round out" the family income so as to provide basic necessities. The low income sectors have been highly imaginative in generating activities that will enable them "to earn a few little sucras on the street."

Differing Notions

The International Labor Organization (ILO) has defined as an informal establishment the productive unit which is typified as using very little capital and uncomplicated

production techniques, and having a small number of workers. In addition, they lack their own legislation and have difficulty in gaining access to credit from the financial system.

PREALC [Latin American-Caribbean Economic Recovery Program], upholds a dual definition of the job market, whereby the formal and informal sectors participate in it as a result of the structural heterogeneity typical of the less developed countries. The informal sector would be included in all branches of production.

Marxist sectors define the informal sector as the realm of production subordinate to the capitalist development process, whose dynamics are determined by the large business firms, and which contributes to the reproduction and cheapening of the work force.

According to this movement, the different forms of production organization cannot be considered a duality, but rather a unit. The SIU consists of production units maintained without wage-earning labor relations. The expansion of the informal sector would be linked to the accrual of monopolistic capital.

Nevertheless, "all movements agree in viewing the SIU as a spurious sector of the economy, to which the unemployed resort in an attempt to sell some good or service that will afford them some income to ensure their survival," as the study "The Work Force in Quito: 1988," prepared by the Central University's Economic Research Institute, concludes by stating.

Mass Support Program for Informals

The Ministry of Social Welfare is enacting a Mass National Program to support the informal units comprised of thousands of Ecuadorean workers in the various parts of the country.

With the crisis that the country has been undergoing since the early 1980's, and particularly during the past 4 years, the employment situation has deteriorated, as reflected not only in a rise in overt unemployment but, primarily, in an expansion of underemployment and of the so-called urban informal sector.

The SIU, consisting of working proprietors, wage-earning workers, and family members who in many instances earn no pay, operates with many limitations of a technical, organizational, legal, financial, and market-nature.

With an overall program, calling for training and credit action, an effort will be made to raise the productivity and income of informal workers; because at present a sizable segment is ranked in the underemployed category based on income.

Credit will be accorded special attention, because one of the main restrictions on the operation and reinforcement of informal units is their meager access to formal credit sources. This has caused constant dependence on the profiteer lender and the resultant lack of savings capacity.

To execute the plan, action will be coordinated with various entities in both the public and private sectors in order to pool human and economic efforts.

Major sources are available for credit to the informal units:

The Central Bank will contribute an initial line of credit.

The IDB [Inter-American Development Bank] will contribute funds totaling several million dollars. This contribution was arranged upon the visit paid to Ecuador by Enrique Iglesias, president of IDB.

Also under negotiation is a plan for technical cooperation, with the United Nations Development Program and ILO.

Verduga Signed First Assistance Agreement

Yesterday, the labor minister, economist Cesar Verduga, signed an agreement that will benefit the residents of the No 2 People's Committee sector of Quito, aimed primarily at female heads of household, for the purpose of incorporating them into the production process and improving the welfare of children and families.

The agreement, signed between the Labor Ministry, through UNEPROM [Ecuadorean National Union for Minibusiness Promotion], and the Institute of Cooperation for Development (ICD) and the Ecuadorean Ecological Medicine Association (SEME), is the first one signed with entities linked to the minibusiness program, as the UNEPROM director, economist Luis Rosero, announced.

He also remarked that the plan is included in the accord between the Labor Ministry and UNICEF to foster socioeconomic development programs for underprivileged urban sectors of Quito, Guayaquil, and Esmeraldas, in which similar agreements will be signed.

The program will be executed over a period of 2 years; it will support primarily small productive and commercial units, also including nutrition, food, health, and sanitation programs.

Rosero noted that plans call for the occupational training of 1,000 persons, the preparation of 452 projects, and advice accompanied by credit to 180 small units and consolidated groups.

The cost of the agreement amounts to approximately 18 million sucres, 60 percent of which is financed by the Labor Ministry, and the remaining 40 percent by UNICEF.

According to the UNEPROM director, this is a new policy of the Labor Ministry to generate permanent employment for the unemployed and underemployed in underprivileged areas. In the context of this new policy, several agreements will be signed with private foundations, directed toward small producers and merchants in the cities of Quito, Guayaquil, Cuenca, Loja, Machala, Quevedo, and Ambato, and in rural sections of Guayas, Zamora, Pastaza, Napo, Morona, and Chimborazo Provinces.